

**NOTICE OF SALE
AND
BIDDING INSTRUCTIONS
ON**

**\$7,000,000*
SMITH COUNTY, TEXAS
GENERAL OBLIGATION BONDS, SERIES 2024**

Bids Due Monday, September 16, 2024 at 1:30 PM, Central Time

**THE BONDS WILL BE DESIGNATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS”
FOR FINANCIAL INSTITUTIONS.**

THE SALE

BONDS OFFERED FOR SALE AT COMPETITIVE BIDDING . . . Smith County, Texas (the “County”), is offering for sale its \$7,000,000* General Obligation Bonds, Series 2024 (the “Bonds”). Bids may be submitted by either of three alternative procedures: (i) written bids; (ii) electronic bids; or (iii) telephone bids. Prospective bidders may select one of the three alternative bidding procedures in their sole discretion. Neither the County nor its Financial Advisor, Specialized Public Finance Inc., assumes any responsibility or liability for a prospective bidding procedure.

The County and Specialized Public Finance Inc. assume no responsibility or liability with respect to any irregularities associated with the submission of electronic, telephone bids.

Specialized Public Finance Inc. will not be responsible for submitting any bids received after the deadline. For the purpose of determining compliance with any and all time deadlines set forth in this Official Notice of Sale, for all alternative bidding procedures, the official time shall be the time maintained only by the Parity Electronic Bid Submission System (“PARITY”).

WRITTEN BIDS DELIVERED IN PERSON . . . Signed bids, plainly marked “Bid for Bonds”, should be addressed to “County Judge and County Commissioners of Smith County, Texas,” and delivered to the County’s Financial Advisor, Specialized Public Finance Inc. at 4925 Greenville Avenue, Suite 1350, Dallas, Texas 75206 by 1:30 PM, Central Time on September 16, 2024 (the “date of the bid opening”). All bids must be submitted on the Official Bid Form, without alteration or interlineation.

ELECTRONIC BIDDING PROCEDURE . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Bidders must submit, by 1:30 PM on the date of the bid opening, SIGNED Official Bid Forms to Steven Adams, Specialized Public Finance Inc., 4925 Greenville Avenue, Suite 1350, Dallas, Texas 75206. Subscription to the i-Deal LLC’s BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The County will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

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

If any provisions of the Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from Parity Customer Support, 40 West 23rd Street, 5th Floor, New York, New York 10010, (212) 404-8102.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the County, as described under “Basis of Award” below. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and the Official Bid Form.

BIDS BY TELEPHONE . . . Bidders must submit SIGNED Official Bid Forms to Steven Adams, Specialized Public Finance Inc., 4925 Greenville Avenue, Suite 1350, Dallas, Texas 75206, and submit their bid by telephone on the date of the bid opening.

Telephone bids will be accepted at (214) 373-3911, between 1:00 PM and 1:30 PM, Central Time on the date of the bid opening.

Specialized Public Finance Inc. will not be responsible for submitting any bids received after the above deadlines.

Specialized Public Finance Inc. assumes no responsibility or liability with respect to any irregularities associated with the submission of bids if telephone option is exercised.

*See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS.” Preliminary, subject to change.

PLACE AND TIME OF BID OPENING . . . The bids for the Bonds will be publicly opened and read in the office of the Financial Advisor at 1:30 PM, Central Time, Monday, September 16, 2024.

AWARD OF THE BONDS . . . The Commissioners Court will take action to award the Bonds (or reject all bids) at a meeting scheduled to convene at 9:30 AM, Central Time, on Tuesday, September 17, 2024. Upon awarding the Bonds, the County will also adopt the order authorizing the Bonds (the “Order”) and will approve the Official Statement, which will be a finalized form of the Preliminary Official Statement to include the terms of pricing. Sale of the Bonds will be made subject to the terms, conditions and provisions of the Order as described in the Preliminary Official Statement. The County reserves the right to reject any and all bids and to waive any and all irregularities, except time of filing.

WITHDRAWAL OF THE BIDS . . . Any bid may be withdrawn by an authorized representative of the bidder at any time prior to the time set for receipt of bids. Thereafter, all bids shall remain firm for ten hours after the time for receipt of the bids. The award of or rejection of bids will occur within this time period.

EXTENSION OF SALE DATE . . . The County reserves the right to extend the date and/or time for the receipt of bids by giving notice by Bond Buyer Wire Service, and by posting a notice at the place established for receipt of bids, not later than 3:00 PM, Central Time on Friday, September 13, 2024 of the new date and time of receipt of bids. Such notice shall be considered an amendment to this Official Notice of Sale.

THE BONDS

DESCRIPTION . . . The Bonds will be dated September 15, 2024 (the “Dated Date”). Interest will accrue from the date of initial delivery of the Bonds and will be due on February 15, 2025, and each August 15 and February 15 thereafter until maturity. The Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity. The Bonds will mature on August 15 in each year as follows:

MATURITY SCHEDULE*

<u>August 15</u> <u>Maturity</u>	<u>Principal</u> <u>Amount</u>	<u>August 15</u> <u>Maturity</u>	<u>Principal</u> <u>Amount</u>
2025	\$ 215,000	2035	\$ 350,000
2026	230,000	2036	365,000
2027	245,000	2037	380,000
2028	255,000	2038	395,000
2029	270,000	2039	415,000
2030	280,000	2040	430,000
2031	295,000	2041	450,000
2032	310,000	2042	465,000
2033	320,000	2043	485,000
2034	335,000	2044	510,000

*See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS.” Preliminary, subject to change.

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

SERIAL BONDS AND/OR TERM BONDS . . . Bidders may provide that all of the Bonds be issued as serial Bonds or may provide that any two or more consecutive annual principal amounts be combined into one or more term Bonds.

BOOK-ENTRY-ONLY SYSTEM . . . The County intends to utilize the book-entry-only system of The Depository Trust Company (“DTC”). See “THE BONDS – BOOK-ENTRY-ONLY SYSTEM” in the Official Statement.

PAYING AGENT/REGISTRAR . . . The initial Paying Agent/Registrar shall be Zions Bancorporation, National Association, dba Amegy Bank, Houston, Texas. See “THE BONDS – PAYING AGENT/REGISTRAR” in the Official Statement.

SOURCE OF PAYMENT . . . The Bonds are direct and voted obligations of the County payable from a continuing ad valorem tax levied on all taxable property within the County, legally unlimited as to rate or amount, as provided in the Bond Order

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

CONDITIONS OF THE SALE

TYPE OF BIDS AND INTEREST RATES . . . The Bonds will be sold in one block on an “All or None” basis, and at a price of not less than 102% and not greater than 113%. Bidders are invited to name the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/100 of 1% and the net effective interest rate must not exceed 15%. For Bonds having stated maturities on and after August 15, 2034, no reoffering yield producing a dollar price less than 98.50 for any individual maturity will be accepted. The highest rate bid may not exceed the lowest rate bid by more than 2% in rate. 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 Bonds of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered.

ADVANCE MODIFICATION OF PRINCIPAL AMOUNTS . . . The Maturity Schedule for the Bonds set forth above represents an estimate of the principal amount of Bonds to be sold. The County hereby reserves the right to change the Maturity Schedule, based on market conditions prior to the sale. In the event that the County elects to change the Maturity Schedule prior to the sale it will provide notice to potential bidders through Parity. Such notice shall be considered an amendment to this Notice of Sale and Bidding Instructions.

POST BID MODIFICATION OF PRINCIPAL AMOUNTS . . . After selecting the winning bid, the aggregate principal amount of the Bonds and the principal amortization schedule may be adjusted as determined by the County and its Financial Advisor in \$5,000 increments to reflect the actual interest rates and to create a substantially level debt service schedule for the County. Such adjustments will not change the aggregate principal amount of the Bonds by more than 15% from the amount set forth herein. The dollar amount bid for the Bonds by the winning bidder will be adjusted proportionately to reflect any increase or decrease in the aggregate principal amount of the Bonds finally determined to be issued. The County will use its best efforts to communicate to the winning bidder any such adjustment within four (4) hours after the opening of bids. Purchaser’s compensation will be based upon the final par amount after any adjustment thereto, subsequent to the receipt and tabulation of the winning bid, within the aforementioned parameters.

In the event of any adjustment of the maturity schedule for the Bonds as described above, no rebidding or recalculation of the proposals submitted will be required or permitted. The bid price for such an adjustment will reflect changes in the dollar amount of par amount of the Bonds from the selling compensation that would have been received based on the purchase price in the winning bid and the initial reoffering terms. Any such adjustment of the aggregate principal amount of the Bonds and/or the maturity schedule for the Bonds made by the County or its Financial Advisor shall be subsequent to the award of the Bonds to the winning bidder as determined pursuant to “CONDITIONS OF THE SALE – BASIS OF AWARD” herein and shall not affect such determination. The winning bidder may not withdraw its bid as a result of any changes made within the aforementioned limits.

BASIS FOR AWARD . . . Subject to the County’s right to reject any or all bids and to waive any irregularities except time of filing, the sale of the Bonds will be awarded to the bidder or syndicate account manager whose name first appears on the Official Bid Form (the “Bond Purchaser”) making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the County. The True Interest Cost rate is that rate which, when used to compute the total present value as of the date of initial delivery of all debt service payments on the Bonds on the basis of semiannual compounding, produces an amount equal to the sum of the par value of the Bonds. In the event of a bidder’s error in interest cost rate calculations, the interest rates and premium, if any, set forth in the Official Bid Form will be considered as the intended bid.

In order to provide the County with information required to be submitted to the Texas Bond Review Board pursuant to Section 1202.008, Texas Government Code, as amended, the Bond Purchaser will be required to provide the County 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).

ESTABLISHING THE ISSUE PRICE FOR THE BONDS . . . The County intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of municipal bonds), which require, among other things, that the County receives bids from **at least three underwriters** of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (**the “Competitive Sale Requirement”**).

In the event that the bidding process does not satisfy the Competitive Sale Requirement, Bids **will not be subject to cancellation** and the winning bidder (i) agrees to promptly report to the County the first prices at which at least 10% of each maturity of the Bonds (**the “First Price Maturity”**) have been sold to the Public on the Sale Date (**the “10% Test”**) (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test) and (ii) agrees to hold-the-offering-price of each maturity of the Bonds that does not satisfy the 10% Test (**“Hold-the-Price Maturity”**), as described below.

In order to provide the County with information that enables it to comply with the establishment of the issue price of the Bonds under the Internal Revenue Code of 1986, as amended, the winning bidder agrees to complete, execute, and timely deliver to the County or to the County’s bond counsel the appropriate certification as to the Bonds’ “issue price” (the “Issue Price Certificate”) substantially in the form and to the effect attached hereto or accompanying this Notice of Sale and Bidding Instructions, at least 5 business days before the Closing Date if the Competitive Sale Requirement is satisfied or within 5 business days of the date on which the 10% Test is satisfied with respect to all of the First Price Maturities. In the event the winning bidder will not reoffer any

maturity of the Bonds for sale to the Public (as defined herein) by the Closing Date, the Issue Price Certificate may be modified in a manner approved by the County. 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 necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel (identified in the Preliminary Official Statement).

For purposes of this section of this Notice of Sale and Bidding Instructions:

(i) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party,

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

(iii) “Related Party” means any two or more persons (including an individual, trust, estate, partnership, association, company, or corporation) that 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

(iv) “Sale Date” means the date that the Bonds are awarded by the County to the winning bidder.

All actions to be taken by the County under this Notice of Sale and Bidding Instructions to establish the issue price of the Bonds may be taken on behalf of the County by the County’s Financial Advisor, and any notice or report to be provided to the County may be provided to the County’s Financial Advisor.

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

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

By submitting a bid, the winning bidder agrees, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell any Hold-the-Price 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 (1) the close of the fifth (5th) business day after the Sale Date; or (2) the date on which the Underwriters have sold at least 10% of that Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public. The winning bidder shall promptly advise the County when the Underwriters have sold 10% of a Hold-the-Price Maturity to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

PROVISION OF TEXAS ETHICS COMMISSION FORM 1295 (“TEC FORM 1295”) . . . In accordance with Texas Government Code Section 2252.908 (the “Interested Party Disclosure Act”), the County may not award the Bonds to a bidder unless the winning bidder either:

(i) submits a Certificate of Interested Parties Form 1295 (the “TEC Form 1295”) to the County as prescribed by the Texas Ethics Commission (“TEC”), or

(ii) certifies in the Official Bid Form that it is exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

In the event that the bidder's bid for the Bonds is the best bid received, the County, acting through its financial advisor, will promptly notify the winning bidder. That notification will serve as the County's conditional verbal acceptance of the bid, and, unless the bidder is exempt from filing a TEC Form 1295, such notification will obligate the winning bidder to promptly file a completed TEC Form 1295, as described below, in order to allow the County to complete the award. The County reserves the right to reject any bid that does not comply with the requirements prescribed herein.

For purposes of completing the TEC Form 1295, box 2 is name of the governmental entity (*Smith County, Texas*) and box 3 is the identification number assigned to this contract by the County (**Smith Co Bonds 2024**) and description of the goods or services (*Purchase of the Smith County Bonds, Series 2024*). **The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the "Disclosure Rules") require certain business entities contracting with the County to complete the TEC Form 1295 electronically at <https://www.ethics.state.tx.us/main/file.htm>, print, complete the unsworn declaration, sign, and deliver, in physical form, the certified TEC Form 1295 that is generated by the TEC's "electronic portal" to the County. The completed and signed TEC Form 1295 must be sent by email, to the County's financial advisor at steven@spfmuni.com, as soon as possible following the notification of conditional verbal acceptance and prior to the final written award.** Upon receipt of the final written award, the winning bidder must submit the TEC Form 1295 with original signatures by email to Bond Counsel as follows: jgulbas@mphlegal.com.

To the extent that the bidder is not exempt from filing a TEC Form 1295 and therefor makes such filing with the County, the Interested Party Disclosure Act and the TEC 1295 provide that such declaration is made "under oath and under penalty of perjury." Consequently, a bidder should take appropriate steps prior to completion of the TEC Form 1295 to familiarize itself with the Interested Party Disclosure Act, the Disclosure Rules and the TEC Form 1295. **Time will be of the essence in submitting the form to the County, and no final award will be made by the County regarding the sale of the Bonds until a completed TEC Form 1295 is received. The County reserves the right to reject any bid that does not satisfy the requirement of a completed TEC Form 1295, as described herein.** Neither the County nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither party has an obligation nor undertakes responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the County that its bid is the conditional winning bid. Instructional videos on logging in and creating a certificate are provided on the TEC's website at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

COMPLIANCE WITH LAW PROHIBITING CONTRACTS WITH COMPANIES THAT BOYCOTT ISRAEL AND CERTAIN COMPANIES ENGAGED IN BUSINESS WITH IRAN, SUDAN OR FOREIGN TERRORIST ORGANIZATIONS . . . Pursuant to Chapter 2270, Texas Government Code, the County will not award the Bonds to a bidder unless the bidder verifies that, at the time of execution and delivery of its bid to the date of the delivery of the Bonds, neither the bidder nor any syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, boycotts or will boycott Israel during the term of the agreement set forth in the Official Statement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended. Such verification is included in the Official Bid Form attached to this Notice of Sale. Further, by submission of a bid, and as a condition of the award and delivery of the Bonds, the bidder must represent that, pursuant to Section 2252.152 of the Texas Government Code, neither the bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the bidder (i) engages in business with Iran, Sudan, or foreign terrorist organization as defined in Section 2252.151(2), Texas Government Code or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code. At the request of the County, the bidder agrees to execute further written certification as may be necessary or convenient for the County to establish compliance with these laws.

VERIFICATION REGARDING ENERGY COMPANY BOYCOTTS . . . Pursuant to Chapter 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the County will not award the Bonds to a bidder unless the bidder verifies in the Official Bid Form, for the purposes of such chapter, that at the time of execution and delivery of its bid and to the date of delivery of the Bonds, neither the winning bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the winning bidder boycotts energy companies or will boycott energy companies. The terms "boycotts energy companies" and "boycott energy companies" as used in this paragraph have the meaning assigned to the term "boycott energy company" in Section 809.001 of the Texas Government Code, as amended.

VERIFICATION REGARDING DISCRIMINATION AGAINST FIREARM ENTITY OR TRADE ASSOCIATION . . . Pursuant to Chapter 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the County will not award the Bonds to a bidder unless the bidder verifies in the Official Bid Form, for the purposes of such chapter, that at the time of execution and delivery of its bid and to the date of delivery of the Bonds, neither the winning bidder, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the winning bidder discriminates against a firearm entity or firearm trade association. The term "discriminates against a firearm entity or firearm trade association" as used in this paragraph has the meaning assigned to the term "discriminate against a firearm entity or firearm trade association" in Section 2274.001 of the Texas Government Code, as amended. The bidder understands "affiliate" as used in the prior three paragraphs to mean any entity that controls, is controlled by, or is under common control with, the bidder and exists to make a profit.

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

GOOD FAITH DEPOSIT . . . The winning bidder will be required to provide a deposit in the amount of \$140,000 to the County as bid security by 5:00 p.m. Central Time on September 16, 2024. The bid security may be provided to the County (i) via wire transfer (the County or its financial advisor, Specialized Public Finance Inc., will provide wire instructions to the winning bidder), or (ii) in the form of a certified or cashier's check made payable to the order of County in the amount of the deposit set forth above. The wire option will be retained by the County and: (a) will be applied, without allowance for interest, against the purchase price when the Bonds are delivered to and paid for by such winning bidder or (b) will be retained by the County as liquidated damages if the winning bidder defaults with respect to the terms of its bid or if it is determined after the acceptance of its bid by the County that the Purchaser was found not to satisfy the requirements described below under STANDING LETTER REQUIREMENT and as a result the Texas Attorney General will not deliver its approving opinion of the Bonds or (c) will be returned to the winning bidder if the Bonds are not issued by the County for any reason which does not constitute a default by the winning bidder. If the check option is utilized, the check will be (a) returned uncashed to the winning bidder when the Bonds are delivered to and paid for by such winning bidder, (b) cashed by the County as liquidated damages if the winning bidder defaults with respect to the terms of its bid or (c) returned uncashed to the winning bidder if the Bonds are not issued by the County for any reason which does not constitute a default by the winning bidder.

STANDING LETTER REQUIREMENT . . . The bidder must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office as required by the All Bond Counsel Letter of the Texas Attorney General dated September 22, 2021 (the "All Bond Counsel Letter"). In submitting a bid, the bidder represents to the County that it has filed a standing letter that conforms to the requirements set forth in the All Bond Counsel Letter and it has no reason to believe that the County may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office. Bidder agrees that it will not rescind its standing letter at any time before the delivery of the Certificates unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The County reserves the right, in its sole discretion, to reject any bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Bonds. If requested by the County, the Purchaser agrees to provide such further representations, certifications or assurances regarding the matters described under the heading VERIFICATION PURSUANT TO CHAPTER 2274 OF THE TEXAS GOVERNMENT CODE, as of the date of delivery of the Bonds or such other date requested by the County.

In addition, the County reserves the right, in its sole and absolute discretion, to reject any bid from a bidder if the County has any belief or doubt, whether or not reasonable, that the bidder is under an active, pending or unresolved inquiry from the State of Texas as to the ability of the bidder to satisfy the representations and verifications required to be a standing letter.

FURTHER STATE LAW COMPLIANCE: IN ADDITION TO THE FOREGOING, THE BIDDER HEREBY REPRESENTS, BY SUBMISSION OF A BID, NEITHER IT NOR ITS PARENT COMPANY, SUBSIDIARIES OR AFFILIATES HAS RECEIVED A LETTER OR OTHER INQUIRY FROM THE TEXAS COMPTROLLER RELATED TO ITS INCLUSION ON ANY LIST OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES.

BY SUBMITTING A BID, BIDDER AGREES, THAT SHOULD IT BE THE WINNING BIDDER, BIDDER SHALL TAKE ANY ACTION NECESSARY TO FURTHER VERIFY AND CONFIRM COMPLIANCE WITH STATE LAW. IF THE TEXAS ATTORNEY GENERAL REQUIRES ADDITIONAL DOCUMENTATION IN ORDER TO RELEASE ITS OPINION, IT IS THE BIDDER'S SOLE RESPONSIBILITY TO SATISFY ALL REQUESTS OF THE TEXAS ATTORNEY GENERAL. THE COUNTY HAS NO DUTY OR RESPONSIBILITY TO ASSIST THE BIDDER IN SATISFYING THESE REQUIREMENTS. BY SUBMITTING A BID, THE BIDDER UNDERSTANDS AND AGREES THAT THE CITY HAS THE SOLE DISCRETION TO KEEP THE BIDDER'S GOOD FAITH DEPOSIT IF THE BIDDER FAILS TO SATISFY THE OFFICE OF THE TEXAS ATTORNEY GENERAL AS TO THE REPRESENTATIONS DESCRIBED HEREIN.

By submitting a bid, each bidder agrees, should it be the winning bidder, to cooperate with the County and take any action necessary to further verify and confirm compliance with state law.

DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS

CUSIP NUMBERS . . . It is anticipated that CUSIP identification numbers will appear on the Bonds, but neither the failure to print or type such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Bond Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale and Bidding Instructions and the terms of the Official Bid Form. The Financial Advisor will obtain CUSIP identification numbers from the CUSIP Service Bureau, New York, New York prior to the date of sale. CUSIP identification numbers will be made available to the Bond Purchaser at the time the Bonds are awarded or as soon thereafter as practicable. All expenses in relation to the assignment, printing or typing of CUSIP numbers on the Bonds shall be paid by the County.

DELIVERY OF BONDS . . . Delivery will be accomplished by the issuance of one Initial Bond (also called the “Bond” or “Bonds”), either in typed or printed form, in the aggregate principal amount of \$7,000,000*, payable in stated installments to the Bond Purchaser, signed by the County Judge, County Treasurer and County Clerk, approved by the Attorney General of Texas, and registered and manually signed by the Texas 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 a principal office of the Paying Agent/Registrar. Payment for the Bonds must be made in immediately available funds for unconditional credit to the County, or as otherwise directed by the County. The Bond Purchaser will be given six business days’ notice of the time fixed for delivery of the Bonds. It is anticipated that delivery of the Bonds can be made on or about October 17, 2024, and it is understood and agreed that the Bond Purchaser will accept delivery and make payment for the Bonds by 10:00 AM, Central Time, on October 17, 2024, or thereafter on the date the Bond is tendered for delivery, up to and including October 31, 2024. If for any reason the County is unable to make delivery on or before October 31, 2024, the County shall immediately contact the Bond Purchaser and offer to allow the Bond Purchaser to extend its offer for an additional thirty days. If the Bond Purchaser does not elect to extend its offer within six days thereafter, then its Good Faith Deposit will be returned, and both the County and the Bond Purchaser shall be relieved of any further obligation. In no event shall the County be liable for any damages by reason of its failure to deliver the Bonds, provided such failure is due to circumstances beyond the County’s reasonable control.

CONDITIONS TO DELIVERY . . . The obligation of the Bond Purchaser to take up and pay for the Bonds is subject to the Bond Purchaser’s receipt of (a) the legal opinion of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel for the County (“Bond Counsel”) and (b) the no-litigation certificate, all as further described in the Official Statement. In order to provide the County with information required to enable it to comply with certain conditions of the Internal Revenue Code of 1986 relating to the exemption of interest on the Bonds from the gross income of their owners, the Bond Purchaser will be required to complete, execute, and deliver to the County (no later than the close of business on the business day following the award of the bid) a certification as to their “issue price” substantially in the form and to the effect attached hereto or accompanying this Notice of Sale and Bidding Instructions. In the event the successful bidder will not reoffer the Bonds for sale, such certificate may be modified in a manner approved by the County. In no event will the County fail to deliver the Bonds as a result of the Bond Purchaser’s inability to sell a substantial amount of the Bonds at a particular price prior to delivery. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate not later than the close of business on the business day following the award of the bid, if its bid is accepted by the County. It will be the responsibility of the Bond Purchaser to institute such syndicate reporting requirements to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

LEGAL OPINION . . . The Bonds are offered when, as and if issued, subject to the approval of the Attorney General of the State of Texas. Delivery of and payment for the Bonds is subject to the receipt by the Bond Purchaser of opinions of Bond Counsel, to the effect that the Bonds are valid and binding obligations of the County (except as the enforceability may be limited by governmental immunity, bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws now or hereafter enacted relating to creditors’ rights generally or by principles of equity which permit the exercise of judicial discretion) and that the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, subject to the matters described under “TAX MATTERS” in the Official Statement.

NO MATERIAL ADVERSE CHANGE . . . The obligations of the County to deliver the Bonds and of the Bond Purchaser to accept delivery of and pay for the Bonds are subject to the condition that at the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition of the County from those set forth in or contemplated by the “Preliminary Official Statement” as it may have been supplemented or amended through the date of sale.

NO-LITIGATION CERTIFICATE . . . On the date of delivery of the Bonds to the Bond Purchaser, the County will deliver to the Bond Purchaser a certificate, as of the same date, to the effect that to the best of the County’s knowledge no litigation of any nature is pending or, to the best of the certifying officials’ knowledge or belief, threatened against the County, contesting or affecting the Bonds; restraining or enjoining the authorization, execution, or delivery of the Bonds; affecting the provision made for the payment of or security for the Bonds; in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Bonds; or affecting the validity of the Bonds or the title of the present officials of the County.

GENERAL

FINANCIAL ADVISOR . . . Specialized Public Finance Inc. is employed as Financial Advisor to the County in connection with the issuance of the Bonds. The Financial Advisor’s fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. Specialized Public Finance Inc., in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

*See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS.” Preliminary, subject to change.

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

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

ISSUANCE OF ADDITIONAL DEBT . . . The County does not anticipate the issuance of additional general obligation debt within the next twelve months.

RATING . . . The Bonds are rated "AA+" by S&P Global Ratings ("S&P"). The outstanding uninsured general obligation debt of the County is rated "AA+" by S&P and "Aa1" by Moody's Investors Service ("Moody's"). No application has been made to Moody's for a rating on the Bonds.

THE OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15C2-12 . . . The County has prepared the accompanying Official Statement and, for the limited purpose of complying with SEC Rule 15c2-12, deems such Official Statement to be final as of its date within the meaning of such Rule for the purpose of review prior to bidding. To the best knowledge and belief of the County, the Official Statement contains information, including financial information or operating data, concerning every entity, enterprise, fund, account, or person that is material to an evaluation of the offering of the Bonds. Representations made and to be made by the County concerning the absence of material misstatements and omissions in the Official Statement are addressed elsewhere in this Notice of Sale and Bidding Instructions and in the Official Statement.

The County will furnish to the Bond Purchaser, acting through a designated senior representative, in accordance with instructions received from the Bond Purchaser, within seven (7) business days from the sale date copies of the Official Statement reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of any Official Statement in excess of the number specified shall be prepared and distributed at the cost of the Bond Purchaser. The Bond 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 County assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the subject securities.

CONTINUING DISCLOSURE AGREEMENT . . . The County will agree in the Order to provide certain periodic information and notices of specified events in accordance with Securities and Exchange Commission Rule 15c2-12, as described in the Official Statement under "CONTINUING DISCLOSURE OF INFORMATION". The Bond Purchaser's obligation to accept and pay for the Bonds is conditioned upon delivery to the Bond Purchaser or its agent of a certified copy of the Order containing the agreement described under such heading.

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

The County has approved the form and content of the Notice of Sale and Bidding Instructions, the Official Bid Form and Official Statement, and authorized the use thereof in its initial offering of the Bonds. On the date of the sale, the Commissioners Court will, in the Order authorizing the issuance of the Bonds, 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 Bonds by the Bond Purchaser.

/s/ Judge Neal Franklin
County Judge
Smith County, Texas

ATTEST:

/s/ Karen Phillips
County Clerk
Smith County, Texas

September 6, 2024

OFFICIAL BID FORM

County Judge and County Commissioners
 Smith County, Texas
 200 E. Ferguson, Suite 100
 Tyler, Texas 75702

September 16, 2024

Members of the County Commissioners Court:

Reference is made to your Official Statement and Notice of Sale and Bidding Instructions, dated September 6, 2024, of \$7,000,000* SMITH COUNTY, TEXAS GENERAL OBLIGATION BONDS, SERIES 2024, both of which constitute a part hereof.

For your legally issued Bonds, in the aggregate principal amount of \$7,000,000*, we will pay you a price of \$ _____, representing approximately _____% of the par value. Such Bonds mature August 15, in each of the years and in the amounts and interest rates shown below:

<u>Maturity</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
8/15/2025	\$ 215,000		8/15/2035	\$ 350,000	
8/15/2026	230,000		8/15/2036	365,000	
8/15/2027	245,000		8/15/2037	380,000	
8/15/2028	255,000		8/15/2038	395,000	
8/15/2029	270,000		8/15/2039	415,000	
8/15/2030	280,000		8/15/2040	430,000	
8/15/2031	295,000		8/15/2041	450,000	
8/15/2032	310,000		8/15/2042	465,000	
8/15/2033	320,000		8/15/2043	485,000	
8/15/2034	335,000		8/15/2044	510,000	

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

<u>Term Bonds Maturing August 15</u>	<u>Year of First Mandatory Redemption</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %

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

TRUE INTEREST COST _____ %

*See "CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS." Preliminary, subject to change.

The Initial Bond shall be registered in the name of _____, which will, upon payment for the Bonds, be cancelled by the Paying Agent/Registrar. The Bonds will then be registered in the name of Cede & Co. (DTC's partnership nominee), under the book-entry-only system.

A wire transfer or a cashiers or certified check to the County in the amount of \$140,000 will be made available in accordance with the Notice of Sale made a part hereof. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Notice of Sale, the proceeds of this deposit shall be retained by the County as complete liquidated damages against us. Please check the box below to designate your Good Faith Deposit option.

We agree to accept delivery of the Bonds utilizing the book-entry-only system through DTC and make payment for the Initial Bond in immediately available funds in the Corporate Trust Division, Zions Bancorporation, National Association, dba Amegy Bank, Houston, Texas, not later than 10:00 AM, Central Time, on October 17, 2024, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the purchaser of the Bonds to complete the DTC Eligibility Questionnaire.

The undersigned agrees to complete, execute, and deliver to the County, not later than the close of business on the business day following the award of the sale of the Bonds, a certificate relating to the "issue price" of the Bonds in the form and to the effect accompanying the Notice of Sale and Bidding Instructions, with such changes thereto as may be acceptable to the County.

No Boycott of Israel Verification. The Purchaser verifies, for purposes of Chapter 2271 of the Texas Government Code, as amended, that, at the time of execution and delivery of this bid and to the date of delivery of the Bonds, neither the Purchaser, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Purchaser, boycotts or will boycott Israel. The terms "company", "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended. The bidder understands "affiliate" to mean an entity that controls or is controlled by, or is under common control with, the bidder and exists to make a profit.

Verification Regarding Foreign Terrorist Organizations. The Purchaser 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 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's Internet website: <https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/ftolist.pdf>.

The Purchaser understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with, the Purchaser and exists to make a profit.

No Boycott of Energy Companies. The bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, does not boycott energy companies as of the date of delivery of this bid, and will not boycott energy companies through the date of initial delivery of the Bonds. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended. As used in the foregoing verification, "boycott energy companies" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company: (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (b) does business with a company described by (a). The bidder understands "affiliate" to mean an entity that controls or is controlled by, or is under common control with, the bidder and exists to make a profit. **The bidder understands that in connection with its review of the Bonds, the Office of the Texas Attorney General make require documentation from the bidder to substantiate this verification and such documentation may include requiring the bidder to provide a written legal opinion or comfort letter.**

No Discrimination Against Firearm Entities or Firearm Trade Associations. The bidder hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, as of the date of delivery of this bid does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and through the date of initial delivery of the Bonds will not discriminate against a firearm entity or firearm trade association. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended. As used in the foregoing verification, the terms "discriminates against a firearm entity or firearm trade association" and "discriminate against a firearm entity or firearm trade association" mean: (i) to refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; but does not include a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (i) to comply with federal, state or local law, policy, or regulations or a directive by a regulatory agency, or (ii) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. The bidder understands "affiliate" to mean an entity that controls or is controlled by, or is under common control with, the bidder and exists to make a profit. **The bidder understands that in connection with its review of the Bonds, the Office of the Texas**

Attorney General make require documentation from the bidder to substantiate this verification and such documentation may include requiring the bidder to provide a written legal opinion or comfort letter.

Further State Law Compliance: IN ADDITION TO THE FOREGOING, THE BIDDER HEREBY REPRESENTS, BY SUBMISSION OF A BID, THAT NEITHER IT NOR ITS PARENT COMPANY, SUBSIDIARIES OR AFFILIATES HAS RECEIVED A LETTER FROM THE TEXAS COMPTROLLER RELATED TO ITS INCLUSION ON ANY LIST OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES. BY SUBMITTING A BID, BIDDER AGREES, THAT SHOULD IT BE THE WINNING BIDDER, BIDDER SHALL TAKE ANY ACTION NECESSARY TO FURTHER VERIFY AND CONFIRM COMPLIANCE WITH STATE LAW. IF THE TEXAS ATTORNEY GENERAL REQUIRES ADDITIONAL DOCUMENTATION IN ORDER TO RELEASE ITS OPINION, IT IS THE BIDDER'S SOLE RESPONSIBILITY TO SATISFY ALL REQUESTS OF THE TEXAS ATTORNEY GENERAL. THE COUNTY HAS NO DUTY OR RESPONSIBILITY TO ASSIST THE BIDDER IN SATISFYING THESE REQUIREMENTS. BY SUBMITTING A BID, THE BIDDER UNDERSTANDS AND AGREES THAT THE COUNTY HAS THE SOLE DISCRETION TO KEEP THE BIDDER'S GOOD FAITH DEPOSIT IF THE BIDDER FAILS TO SATISFY THE OFFICE OF THE TEXAS ATTORNEY GENERAL AS TO THE REPRESENTATIONS DESCRIBED HEREIN.

Notwithstanding anything contained herein, the representations and covenants contained herein regarding "No Boycott of Israel Verification", "Verification Regarding Foreign Terrorist Organizations", "No Boycott of Energy Companies" and "No Discrimination Against Firearm Entities or Firearm Trade Associations" shall survive termination of this agreement until the statute of limitations has run.

The undersigned agrees to complete, execute, and deliver to the County, at least five business days prior to delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form and to the effect accompanying the Notice of Sale and Bidding Instructions, with such changes thereto as may be acceptable to the County and Bond Counsel.

The undersigned certifies that the Purchaser [is]/[is not] exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

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,

Name of Bond Purchaser or Manager

Authorized Representative

Phone Number

Signature

Please check one of the options below regarding Good Faith Deposit:

Submit by Wire Transfer

Submit by Bank Cashier's/Certified Check

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Smith County, Texas, this the 17th day of September, 2024.

ATTEST:

County Clerk, Smith County, Texas

County Judge, Smith County, Texas

ISSUE PRICE CERTIFICATE

(Sales where at least 3 bids are received from underwriters)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Purchaser”), with respect to the purchase at competitive sale of the General Obligation Bonds, Series 2024 issued by the Smith County, Texas (“Issuer”) in the principal amount of \$7,000,000* (“Bonds”), hereby certifies and represents, based on its records and information, as follows:

(a) On the first day on which there was a binding contract in writing for the purchase of the Bonds by the Purchaser, the Purchaser’s reasonably expected initial offering prices of each maturity of the Bonds with the same credit and payment terms (the “Expected Offering Prices”) to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter are as set forth in the pricing wire or equivalent communication for the Bonds, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Bonds used by the Purchaser in formulating its bid to purchase the Bonds.

(b) The Purchaser had an equal opportunity to bid to purchase the Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

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

(d) The Purchaser [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$ _____ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (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) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this _____, 2024.

[NAME OF PURCHASER], as Purchaser

By: _____

Name: _____

*See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS.” Preliminary, subject to change.

SCHEDULE A

PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

ISSUE PRICE CERTIFICATE

(Form of Certificate if less than 3 bids are received from underwriters)

The undersigned, as the underwriter or the manager of the syndicate of underwriters (“Purchaser”), with respect to the purchase at competitive sale of the General Obligation Bonds, Series 2024 issued by the Smith County, Texas (“Issuer”) in the principal amount of \$7,000,000* (“Bonds”), hereby certifies and represents, based on its records and information, as follows:

(a) [Other than the Bonds maturing in _____ (“Hold-the-Price Maturities”), the][The] first prices at which at least ten percent (“Substantial Amount”) of the principal amount of each maturity of the Bonds having the same credit and payment terms (“Maturity”) was sold to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (“Public”) are their respective initial offering prices, as listed in the pricing wire or equivalent communication for the Bonds that is attached to this Certificate as Schedule A.

(Add (b) and (c) only if winning bidder designates one or more maturities as Hold-the-Price Maturities)

(b) On or before the first day on which there is a binding contract in writing for the sale of the Bonds (“Sale Date”), the Purchaser offered to the Public each Maturity of the Hold-the-Price Maturities at their respective initial offering prices, as set forth in Schedule A hereto (“Initial Offering Price”).

(c) As set forth in the Notice of Sale, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for each such Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells at least ten percent of a Hold-the-Price-Maturity of the Bonds to the Public at no higher price than the Initial Offering Price for such Maturity.

(d) The Purchaser [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$ _____ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer’s commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm’s-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (1)(i) of this paragraph (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) to participate in the initial sale of the Bonds to the Public, and (2) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (1) of this paragraph.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this _____, 2024.

[NAME OF PURCHASER], as Purchaser

By: _____

Name: _____

*See “CONDITIONS OF THE SALE – POST BID MODIFICATION OF PRINCIPAL AMOUNTS.” Preliminary, subject to change.

SCHEDULE A

PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)