

**OFFICIAL NOTICE OF SALE
AND
BIDDING INSTRUCTIONS**

ON

\$16,000,000*

**HARMONY INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2025**

Sealed Bids Due Monday January 13, 2025 (the “Sale Date”) at 11:30 AM CENTRAL TIME

THE SALE

BONDS OFFERED FOR SALE BY COMPETITIVE BID: The Board of Trustees (the “Board”) of the Harmony Independent School District, located in Upshur and Wood Counties, Texas (the “District”) is offering for sale by competitive bid its \$16,000,000* Unlimited Tax School Building Bonds, Series 2025 (the “Bonds”).

ELECTRONIC BIDS: Bids may be submitted electronically through the facilities of the PARITY Electronic Bid Submission System (“PARITY”). Subscription to the i-Deal LLC’s BIDCOMP Competitive Bidding System is required to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe. **Electronic bids must be received by 11:30 A.M. CENTRAL TIME on the “Sale Date”.**

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

The official time for the receipt of all bids shall be the time maintained by PARITY. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and Bidding Instructions, Official Bid Form and the Official Statement. To the extent that any instructions or directions set forth in PARITY conflict with this Official Notice of Sale and Bidding Instructions, the terms of this Official Notice of Sale and Bidding Instructions shall control. For further information about the PARITY System, potential bidders may contact i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

PLACE AND TIME OF BID OPENING: The bids for the Bonds will be publicly opened and read in the offices of D.A. Davidson & Co., Plano, Texas, at 11:30 A.M. CENTRAL TIME, on the Sale Date.

AWARD OF THE BONDS: The Board of Trustees (the “Board”) will take action to award the Bonds (or reject all bids) at a regular meeting at 6 P.M. central time on the Sale Date. Upon awarding the bid to the winning bidder (the “Initial Purchase”), the Board will adopt an order authorizing the Bonds and approving the Official Statement (the “Order”). The District reserves the right to reject any and all bids and to waive any irregularities except time of submission.

*Preliminary, subject to change. See “THE BONDS – Post-Bid Adjustment of Principal Amount and Maturity Schedule for the Bonds” herein.

THE BONDS

DESCRIPTION: The Bonds will be dated February 1, 2025 (the “Dated Date”). The date of initial delivery to the winning bidder is anticipated to be on or about February 6, 2025 (the “Date of Delivery”). Interest will accrue from the Date of Delivery and will be paid on August 15, 2025, and each August 15 and February 15 thereafter until maturity or prior redemption. The Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity. The Bonds will mature on February 15, 2026 and each February 15 thereafter as follows:

MATURITY SCHEDULE*

| <u>Maturity Date</u> | <u>Maturity Amount</u> | <u>Maturity Date</u> | <u>Maturity Amount</u> |
|----------------------|------------------------|----------------------|------------------------|
| 2/15/2026 | \$ 175,000 | 2/15/2042 | \$ 465,000 |
| 2/15/2027 | 210,000 | 2/15/2043 | 490,000 |
| 2/15/2028 | 220,000 | 2/15/2044 | 515,000 |
| 2/15/2029 | 235,000 | 2/15/2045 | 540,000 |
| 2/15/2030 | 250,000 | 2/15/2046 | 570,000 |
| 2/15/2031 | 265,000 | 2/15/2047 | 595,000 |
| 2/15/2032 | 280,000 | 2/15/2048 | 625,000 |
| 2/15/2033 | 295,000 | 2/15/2049 | 650,000 |
| 2/15/2034 | 310,000 | 2/15/2050 | 680,000 |
| 2/15/2035 | 330,000 | 2/15/2051 | 705,000 |
| 2/15/2036 | 345,000 | 2/15/2052 | 740,000 |
| 2/15/2037 | 365,000 | 2/15/2053 | 770,000 |
| 2/15/2038 | 385,000 | 2/15/2054 | 805,000 |
| 2/15/2039 | 400,000 | 2/15/2055 | 840,000 |
| 2/15/2040 | 425,000 | 2/15/2056 | 875,000 |
| 2/15/2041 | 445,000 | 2/15/2057 | 1,200,000 |

POST-BID ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE FOR THE BONDS: After final computation of the bids, the aggregate principal amount of the Bonds and principal amortization schedule may be adjusted as determined by the District, acting through the Authorized Official, and the Financial Advisor. The aggregate principal amount of the Bonds may be adjusted by no more than 15% of the proposed par amount. **The dollar amount 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 and awarded.** Such adjustment(s), if any, shall be made within four hours of the award of the Bonds. The price at which such adjusted principal amount of Bonds will be sold will be the same price per \$1,000 of Bonds as the price per \$1,000 for the original par amount of Bonds bid. In order to calculate the yield on the Bonds for federal tax law purposes and as a condition precedent to the award of the Bonds, bidders must disclose to the District in connection with their respective bids the price (or yield to maturity) at which each maturity of the Bonds will be reoffered to the public.

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

There is no guarantee that adjustments and/or revisions will be necessary in order to properly size the Bonds. Accordingly, the District reserves the right in its sole discretion to make adjustments as previously described above, even if the issue size of the Bonds does not change from the original par amount of Bonds. In the event of any such adjustment and/or revision, no rebidding will be permitted, and the purchase price as may have been bid on the Bonds shall be adjusted accordingly.

BOOK-ENTRY-ONLY SYSTEM: The District intends to utilize the Book-Entry-Only System of The Depository Trust Company (“DTC”). See “BOOK-ENTRY-ONLY SYSTEM” in the Official Statement.

REDEMPTION: The District reserves the right, at its option, to redeem Bonds having stated maturities on and after February 15, 2036, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2035, or any date thereafter at a price of par, plus accrued interest to the date of redemption (See “THE BONDS-Optional Redemption” in the Preliminary Official Statement). The Bonds will be subject to mandatory redemption if the initial purchasers elect to create one or more term Bonds as described and permitted by this Notice of Sale.

SOURCE OF PAYMENT: The Bonds are being issued pursuant to the Constitution and general laws of the State of Texas, including Sections 45.001 and 45.003(b)(1) of the Texas Education Code, as amended, an election held in the District on May 6, 2024 and an order (the “Order”) to be adopted by the District’s Board on January 13, 2025. The Bonds are direct and voted obligations of the District and are payable as to both principal and interest from ad valorem taxes to be levied annually on all taxable property within the District, without legal limitation as to rate or amount. (See “THE BONDS – Authorization and Purpose” in the Preliminary Official Statement.)

PAYING AGENT/REGISTRAR: The initial Paying Agent/Registrar shall be BOKF, NA, Dallas, Texas (see “REGISTRATION, TRANSFER AND EXCHANGE - Paying Agent/Registrar” in the Preliminary Official Statement). In the Order, the District covenants to provide a Paying Agent/Registrar at all times while the Bonds are outstanding, and any Paying Agent/Registrar selected by the District shall be a commercial bank or trust company organized under the laws of the United States and any state and duly qualified and legally authorized to serve and perform the duties of the Paying Agent/Registrar for the Bonds. The Paying Agent/Registrar will maintain the Security Register containing the names and addresses of the registered owners of the Bonds.

In the Order the District Retains the right to replace the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, such Paying Agent/Registrar, promptly upon the appointment of a successor, is required to deliver the Security Register to the successor Paying Agent/Registrar.

In the event there is a change in the Paying Agent/Registrar, the District has agreed to notify each registered owner of the Bonds by United States mail, first-class postage prepaid, at the address in the Security Register, stating the effective date of the change and the mailing address of the successor Paying Agent/Registrar.

BOOK-ENTRY-ONLY SYSTEM: The District intends to utilize the Book-Entry-Only System of DTC with respect to the issuance of the Bonds. (See “BOOK-ENTRY-ONLY SYSTEM” in the Preliminary Official Statement.)

OFFICIAL STATEMENT AND OTHER TERMS AND COVENANTS IN THE ORDER: Further details regarding the Bonds and certain covenants of the District contained in the Order are set forth in the Preliminary Official Statement, to which reference is made for all purposes.

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 their par value. No bid producing a cash premium on the Bonds that results in a dollar price of less than \$104.00 nor greater than \$108.00 will be considered; provided, however, that any bid is subject to adjustment as described under the caption “**THE BONDS – Post-Bid Adjustment Of Principal Amount And Maturity Schedule For The Bonds.**” Bidders are invited to name the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/20 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 3.00% in rate.** No other 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.

BASIS FOR AWARD . . . The sale of the Bonds 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 District. The True Interest Cost Rate is that rate which, when used to compute the total present value as of the Dated Date of all debt service payments on the Bonds on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Bonds plus any premium bid, if any (but not interest accrued from the Dated Date to the date of their delivery). In the event of a bidder's error in interest cost rate calculations, the interest rates, and premium, if any, set forth in the Official Bid Form will be considered as the intended bid.

ADDITIONAL CONDITIONS OF SALE

DISCLOSURE OF INTERESTED PARTY FORM. *IT IS THE OBLIGATION OF THE DISTRICT TO RECEIVE INFORMATION FROM WINNING BIDDER IF BIDDER IS NOT A PUBLICLY TRADED BUSINESS ENTITY (A “PRIVATELY HELD BIDDER”).* Pursuant to Texas Government Code Section 2252.908 (the “Interested Party Disclosure Act”), the District may not award the Bonds to a winning bidder which is a Privately Held Bidder unless such party submits a Certificate of Interested Parties Form 1295 (the “Disclosure Form”) to the District as prescribed by the Texas Ethics Commission (“TEC”). In

the event, a Privately Held Bidder's bid for the Bonds is the best bid received, the District, acting through its financial advisor, will promptly notify the winning Privately Held Bidder. That notification will serve as the District's conditional verbal acceptance of the bid and will obligate the winning Privately Held Bidder to establish (unless such winning Privately Held Bidder has previously so established) an account with the TEC, and promptly file a completed Disclosure Form, as described below, in order to allow the District to complete the award.

PROCESS FOR COMPLETING THE DISCLOSURE FORM. For purposes of illustration, the Disclosure Form is attached hereto, and reference should be made to such form for the following information needed to complete it: (a) item 2 - name of the governmental entity (Harmony Independent School District) and (b) item 3 - the identification number assigned to this contract by the District (Unlimited Tax School Building Bonds 2025) and description of the goods or services (Purchase of the Harmony ISD Unlimited Tax School Building Bonds, Series 2025). The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the "Disclosure Rules") require a non-publicly traded business entity contracting with the District to complete the Disclosure Form electronically at <https://www.ethics.state.tx.us/main/file.htm>, print, sign, and deliver, in physical form, the certified Disclosure Form that is generated by the TEC's "electronic portal" to the District. The executed Disclosure Form must be sent by email, to the District's financial advisor, Steve Perry, D.A. Davidson & Co., at sperry@dadco.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 Disclosure Form must be submitted by email to the District's Bond Counsel, Cooper Anderson, McCall, Parkhurst & Horton L.L.P. at canderson@mphlegal.com.

PREPARATIONS FOR COMPLETION, AND THE SIGNIFICANCE OF, THE REPORTED INFORMATION. In accordance with the Interested Party Disclosure Act, the information reported by the winning Privately Held Bidder **MUST BE DECLARED BY AN AUTHORIZED AGENT OF THE WINNING PRIVATELY HELD BIDDER.** No exceptions may be made to that requirement. The Interested Party Disclosure Act and the Disclosure Form provides that such acknowledgment is made "under penalty of perjury." Consequently, a winning Privately Held Bidder should take appropriate steps prior to completion of the Disclosure Form to familiarize itself with the Interested Party

DISCLOSURE ACT, THE DISCLOSURE RULES AND THE DISCLOSURE FORM. Time will be of the essence in submitting the form to the District, and no final award will be made by the District regarding the sale of the Bonds until a completed Disclosure Form is received. If applicable, the District reserves the right to reject any bid that does not satisfy the requirement of a completed Disclosure Form, as described herein. Neither the District nor its consultants have the ability to verify the information included in a Disclosure Form, and neither party has an obligation nor undertakes responsibility for advising any bidder with respect to (1) the bidder's obligation to submit the Disclosure Form or (2) the proper completion of the Disclosure Form. 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, if required, promptly upon notification from the District 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_form_1295.htm.

VERIFICATIONS OF STATUTORY REPRESENTATIONS AND COVENANTS: The District will not award the Bonds to a bidder unless the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the "Covered Verifications"), are included in the bid. As used in such verifications, "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. Liability for breach of any such verification during the term of the agreement to purchase the Bonds shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of the Official Bid Form or this Notice of Sale, notwithstanding anything in the Official Bid Form or this Notice of Sale to the contrary.

- (i) **No Boycott of Israel (Chapter 2271, Texas Government Code, as amended):** A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of the agreement to purchase the Bonds. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Texas Government Code, as amended.
- (ii) **Not a Sanctioned Company (Chapter 2252, Texas Government Code, as amended):** A bidder must represent 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. The foregoing representation excludes a 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.

- (iii) **No Discrimination Against Firearm Entities or Firearm Trade Associations (Chapter 2274, Texas Government Code, as amended):** A bidder must verify 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 will not discriminate against a firearm entity or firearm trade association. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Texas Government Code, as amended.
- (iv) **No Boycott of Energy Companies (Chapter 2276, Texas Government Code, as amended):** A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Texas Government Code, as amended.

FURTHER STATE LAW COMPLIANCE AND STANDING LETTER REQUIREMENT: Each prospective bidder must have a standing letter on file with the Texas Attorney General’s Office in the form included as Exhibit A to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any supplements thereto (the “All Bond Counsel Letter”). In submitting a bid, a bidder represents to the District that it has filed a standing letter in the form included as Exhibit A to the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Texas Attorney General’s Office. Bidder agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The District will not accept a 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 District, the Purchaser agrees to provide such further representations, certifications or assurances in connection with the Covered Verifications, as of the Sale Date or such other date requested by the District including, but not limited to, a bring down certification as provided by the All Bond Counsel Letter.

THE DISTRICT RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO REJECT THE BID OF ANY BIDDER.

IN CONNECTION WITH THE SUBMISSION OF ITS BID, THE BIDDER SHALL PROVIDE A COURTESY COPY OF ITS STANDING LETTER, UNLESS OTHERWISE PUBLICLY AVAILABLE ON THE MUNICIPAL ADVISORY COUNCIL OF TEXAS’ WEBSITE.

BY SUBMITTING A BID, EACH BIDDER AGREES, SHOULD IT BE THE WINNING BIDDER, TO COOPERATE WITH THE DISTRICT AND TAKE ANY ACTION NECESSARY TO FURTHER VERIFY AND CONFIRM COMPLIANCE WITH STATE LAW.

To the extent the Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see “ADDITIONAL CONDITIONS OF SALE - Good Faith Deposit”). **THE LIABILITY OF THE BIDDER FOR BREACH OF ANY OF THE VERIFICATIONS MADE IN CONNECTION WITH COVERED VERIFICATIONS SHALL SURVIVE UNTIL BARRED BY THE STATUTE OF LIMITATIONS, AND SHALL NOT BE LIQUIDATED OR OTHERWISE LIMITED BY ANY PROVISION OF THIS NOTICE OF SALE OR THE OFFICIAL BID FORM. ADDITIONALLY, THE DISTRICT 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.**

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 District is not a party to that agreement and any information provided regarding syndicate managers would be for informational purposes only.

GOOD FAITH DEPOSIT: Each bid must be accompanied by a **bank cashier’s check** (the “Good Faith Deposit”) payable to the order of “HARMONY INDEPENDENT SCHOOL DISTRICT”, in the amount of \$320,000. The Good Faith Deposit shall be a bank cashier's check. In the event the Purchaser should fail or refuse to take up and pay for the Bonds in accordance with its bid then said check shall be cashed and accepted by the District and shall constitute full and complete liquidated damages; **however, if it is determined after the acceptance of the bid by the District that the Purchaser was found not to satisfy the requirements described under “Covered Verifications” (as defined herein) and as a result the Texas Attorney General will not deliver its approving opinion of the Bonds, then said check shall be cashed and accepted by the District but shall not be the sole or exclusive remedy available to the District.** 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 District prior to the opening of the bids and shall be accompanied

by instructions from the bank on which it is drawn that authorizes its use as a Good Faith Deposit by the Purchaser who shall be named in such instructions. **The Good Faith Deposit of the Purchaser will be returned to the Purchaser upon payment for the Bonds.** No interest will be allowed on the Good Faith Deposit. The checks accompanying bids other than the winning bid will be returned promptly after the bids are opened, and an award of the Bonds has been made.

SERIAL BONDS OR SERIAL BONDS AND TERM BONDS: Bidders may provide that all the Bonds be issued as serial Bonds maturing in accordance with the Maturity Schedule shown on the Official Bid Form or may provide that any two or more consecutive annual principal amounts be combined into one or more term Bonds (the “Term Bonds”).

MANDATORY SINKING FUND: If the successful bidder elects to convert the principal amounts of the serial Bonds by combining them into one or more Term Bonds, such Term Bonds will be subject to mandatory sinking fund redemption commencing on February 15 of the first year which has been combined to form such Term Bonds and continuing on February 15 in each year thereafter until the stated maturity date of those Term Bonds. The amount redeemed in any year will be equal to the principal amount for such year set forth in the maturity schedule above had no designation of such maturities as Term Bonds occurred. Term Bonds to be redeemed in any year by mandatory sinking fund redemption will be redeemed at par and will be selected by lot from among the Bonds then subject to redemption.

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 Certificate nor any error with respect thereto shall constitute cause for a failure or refusal by the Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale and Bidding Instructions and the terms of the Official Bid Form. All expenses in relation to the printing or typing of CUSIP numbers on the Bonds shall be paid by the District; provided, however, that the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the Purchaser.

DELIVERY OF THE BONDS: Delivery will be accomplished by the issuance of one Initial Certificate (also called the “Bonds”), either in typed or printed form, in the aggregate principal amount of \$16,000,000*, signed by the President and Secretary of the Board, authenticated by the Paying Agent/Registrar and delivered only to Cede & Co., and deposited with DTC in connection with DTC's Book-Entry-Only System. Delivery will be at the principal office of the Paying Agent/Registrar. Payment for the Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Purchaser will be given five business days' notice of the time fixed for delivery of Bonds. It is anticipated that delivery of the Bonds can be made on or about 11:30 A.M. Central Time on February 6, 2025, and it is understood and agreed that the Purchaser will accept delivery and make payment for the Bonds by 11:30 A.M. Central Time, on February 6, 2025, or thereafter on the date the Bonds are tendered for delivery, up to and including March 7, 2025. If for any reason the District is unable to make delivery on or before March 7, 2025 the District shall immediately contact the Purchaser and offer to allow the Purchaser to extend its offer for an additional thirty days. If the Purchaser does not elect to extend its offer within six days thereafter, then its Good Faith Deposit will be returned, and both the District and the Purchaser shall be relieved of any further obligation. In no event shall the District be liable for any damages by reason of its failure to deliver the Bonds.

ESTABLISHMENT OF ISSUE PRICE:

The District 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 District 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 as communicated by the Municipal Advisor to the winning bidder by 11:30 a.m. on the Sale Date, Bids will not be subject to cancellation and the winning bidder agrees to promptly report to the District the first prices at which at least 10% of each maturity of the Bonds have been sold to the Public (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).

*Preliminary, subject to change

In order to provide the District 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 District or to the District's municipal advisor, D.A. Davidson & Co. (the "District's Municipal Advisor") a 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, within 5 business days prior to 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 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 District. 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:

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

(ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the District (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

All actions to be taken by the District under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the District's Municipal Advisor, and any notice or report to be provided to the District may be provided to the District's Municipal Advisor.

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

CONDITIONS TO DELIVERY: The obligation of the Purchaser to take up and pay for the Bonds is subject to the Purchaser's receipt of an approving opinion of the Attorney General of the State of Texas, the Initial Purchaser's receipt of the legal opinion of Bond Counsel and the District's certificate regarding the Official Statement as described under "CERTIFICATION OF THE OFFICIAL STATEMENT AND NO-LITIGATION."

LEGAL OPINION: The District will furnish the Purchaser a complete transcript of proceedings incident to the authorization and issuance of the Bonds, including the unqualified approving legal opinion of the Attorney General of the State of Texas as to the

Bonds, to the effect that the Bonds are valid and legally binding obligations of the District, and based upon examination of such transcript of proceedings, the approving legal opinion of Bond Counsel, regarding the legality and validity of the Bonds issued in compliance with the provisions of the Order. (See “LITIGATION” and “LEGAL MATTERS” in the Official Statement and “Appendix C – Form of Legal Opinion of Bond Counsel” attached to the Official Statement.).

CHANGE IN TAX-EXEMPT STATUS: At any time before the Bonds are tendered for delivery, the Purchaser may withdraw its bid if the interest received by private holders on Bonds of the same type and character shall be declared to be taxable 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: D.A. Davidson & Co. is employed as Financial Advisor to the District in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. D.A. Davidson & Co. will not submit a bid for the Bonds, either independently or as a member of a syndicate organized to submit a bid for the Bonds. D.A. Davidson & Co., in its capacity as Financial Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

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

RATINGS: The District has made an application to Moody's Investors Service, Inc. (“Moody's”) for a contract rating on the Bonds. Moody's is expected to assign a municipal bond rating of “Aaa” to the Bonds based upon the Permanent School Fund Guarantee as Moody's generally rates all bond issues guaranteed by the Permanent School Fund of the State of Texas “Aaa” (see Appendix E - THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM in the Official Statement). An explanation of the significance of such rating may be obtained from the company furnishing the rating. The rating reflects only the view of such organization and the District makes no representation as to the appropriateness of the rating. There is no assurance that such rating will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating company, if in the judgment of such company, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price or marketability of the Bonds.

THE OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15c2-12: The District 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 District, 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 District 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 District will furnish to the Purchaser acting through a designated senior representative, in accordance with instructions received from the Purchaser(s), within seven (7) business days from the sale date an aggregate of up to 25 copies of the Official Statement including a like number of copies of any Supplement(s) reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of a reprinted Official Statement, if the Purchaser(s) shall so elect, and the cost of any Official Statement in excess of the number specified shall be prepared and distributed at the cost of the Purchaser(s). The Purchaser(s) shall be responsible for providing in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award. Except as noted above, the District assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the subject securities.

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

COMPLIANCE WITH PRIOR UNDERTAKINGS: As required by prior continuing disclosure agreements, the District must file its annual financial reports and updated operating data within six months after the end of its fiscal year. The District believes it has complied in all material respects with its prior continuing disclosure agreements during the last five (5) years.

ADDITIONAL COPIES OF NOTICE, BID FORM AND STATEMENT: A limited number of additional copies of this Notice of Sale and Bidding Instructions, the Official Bid Form and the Official Statement, as available over and above the normal mailing, may be obtained at the offices of D.A. Davidson & Co., 5601 Granite Parkway, Suite 560, Plano, Texas 75024, Financial Advisor to the District.

The Board has, in the Order authorizing the issuance of the Bonds, confirmed its approval of the form and content of the Official Statement, and any addenda, supplement or amendment thereto, and authorized its use in the reoffering of the Bonds by the Purchaser.

The Board authorized certain District officials to approve the form and content of the Official Notice of Sale, the Official Bid Form, and the Preliminary Official Statement and also authorized the use thereof in its initial offering of the Bonds.

HARMONY INDEPENDENT SCHOOL DISTRICT

/s/

President, Board of Trustees

OFFICIAL BID FORM

Honorable President and Board of Trustees
 Harmony Independent School District
 Big Sandy, Texas

January 13, 2025

Members of the Board:

Reference is made to your Official Statement and Notice of Sale and Bidding Instructions, dated January 2, 2025 of \$16,000,000* HARMONY INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2025, both of which constitute a part hereof.

For your legally issued Bonds, as described in said Notice of Sale and Bidding Instructions and Official Statement, we will pay you par, plus a cash premium of \$_____ (no bid producing a cash premium that results in a dollar price of less than \$104.00 nor greater than \$108.00 considered) for Bonds maturing and bearing interest as follows:

| <u>Maturity Date</u> | <u>Maturity Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>Maturity Date</u> | <u>Maturity Amount</u> | <u>Interest Rate</u> | <u>Yield</u> |
|----------------------|------------------------|----------------------|--------------|----------------------|------------------------|----------------------|--------------|
| 2/15/2026 | \$ 175,000 | _____ | _____ | 2/15/2042 | \$ 465,000 | _____ | _____ |
| 2/15/2027 | 210,000 | _____ | _____ | 2/15/2043 | 490,000 | _____ | _____ |
| 2/15/2028 | 220,000 | _____ | _____ | 2/15/2044 | 515,000 | _____ | _____ |
| 2/15/2029 | 235,000 | _____ | _____ | 2/15/2045 | 540,000 | _____ | _____ |
| 2/15/2030 | 250,000 | _____ | _____ | 2/15/2046 | 570,000 | _____ | _____ |
| 2/15/2031 | 265,000 | _____ | _____ | 2/15/2047 | 595,000 | _____ | _____ |
| 2/15/2032 | 280,000 | _____ | _____ | 2/15/2048 | 625,000 | _____ | _____ |
| 2/15/2033 | 295,000 | _____ | _____ | 2/15/2049 | 650,000 | _____ | _____ |
| 2/15/2034 | 310,000 | _____ | _____ | 2/15/2050 | 680,000 | _____ | _____ |
| 2/15/2035 | 330,000 | _____ | _____ | 2/15/2051 | 705,000 | _____ | _____ |
| 2/15/2036 | 345,000 | _____ | _____ | 2/15/2052 | 740,000 | _____ | _____ |
| 2/15/2037 | 365,000 | _____ | _____ | 2/15/2053 | 770,000 | _____ | _____ |
| 2/15/2038 | 385,000 | _____ | _____ | 2/15/2054 | 805,000 | _____ | _____ |
| 2/15/2039 | 400,000 | _____ | _____ | 2/15/2055 | 840,000 | _____ | _____ |
| 2/15/2040 | 425,000 | _____ | _____ | 2/15/2056 | 875,000 | _____ | _____ |
| 2/15/2041 | 445,000 | _____ | _____ | 2/15/2057 | 1,200,000 | _____ | _____ |

If any adjustment is made as described in the Notice of Sale and Bidding Instructions, it is possible that the actual cash premium generated in the transaction may result in a cash premium amount less than or greater than the amounts shown in the bid for the Bonds. Cash premium paid, after adjustment is \$_____.

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 Certificate or no Term Certificate if none is indicated). For those years which have been combined into a Term Certificate, 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 Certificate maturity date shall mature in such year. The Term Bonds created are as follows:

| <u>Maturity Date</u> | <u>Year of First Mandatory Redemption</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|----------------------|---|-------------------------|----------------------|
| _____ | _____ | \$ _____ | % _____ |
| _____ | _____ | \$ _____ | % _____ |
| _____ | _____ | \$ _____ | % _____ |
| _____ | _____ | \$ _____ | % _____ |

True Interest Cost Rate _____%

*Preliminary, subject to change. See "THE BONDS – Post-Bid Adjustment of Principal Amount" and "Maturity Schedule for the Bonds" herein.

If accepted by the District, this bid shall thereupon become a contract of purchase for the Bonds under the terms contained herein and in the Official Notice of Sale and Bidding Instructions and Official Statement. The Initial Certificate shall be registered in the name of Cede & Co. We will advise The Depository Trust Company (“DTC”) of registration instructions at least five business days prior to the date set for initial delivery. We agree to accept delivery of the Bonds utilizing the Book-Entry-Only System through DTC and make payment for the Initial Certificate in immediately available funds to you at the office of BOKF, NA, Dallas, Texas (the “Paying Agent/Registrar”) or such other place as the District may designate in accordance with the terms of the Official Notice of Sale. Should we fail to accept such delivery, the Good Faith Deposit shall be cashed and the proceeds retained by the District as complete liquidated damages.

In accordance with the terms of the Official Notice of Sale and Bidding Instructions, the Good Faith Deposit, a bank cashier’s or bank certified check for \$320,000, drawn upon Frost Bank, is herewith enclosed or has been made available to the District prior to the opening of this bid with authorizing instructions from such bank. Such Good Faith Deposit is payable to the order of “Harmony Independent School District.” If the Bonds are awarded to us, the Good Faith Deposit will be retained by the District uncashed until the Full Purchase Price (consisting of the par value of the Bonds plus the cash premium, if any) has been paid to the District by us, in federal or immediately available funds to the Paying Agent/Registrar, for immediate and unconditional credit to the District. Upon payment of the Full Purchase Price, the District agrees to return the Good Faith Deposit to us.

Accordingly, if the Bonds are awarded to us, we agree to pay you in federal funds acceptable to the District, for immediate and unconditional credit to the District or as otherwise directed by the District, the Full Purchase Price. If the Bonds are not awarded to us, the Good Faith Deposit will be returned to us promptly.

Upon notification of conditional verbal acceptance, the undersigned will complete an electronic form of the Certificate of Interested Parties Form 1295 (the "Form 1295") through the Texas Ethics Commission's (the "TEC") electronic portal and the resulting certified Form 1295 that is generated by the TEC's electronic portal will be printed, signed, notarized and sent by email to the District's Bond Counsel at sgill@mphlegal.com. The undersigned understands that the failure to provide the certified Form 1295 will prohibit the District from awarding the enclosed bid.

As used in the following verifications, “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. Liability for breach of any such verification during the term of this 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 Notice of Sale, notwithstanding anything in the bid or Notice of Sale to the contrary.

- (i) No Boycott of Israel Verification (Chapter 2271, Texas Government Code, as amended). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Texas Government Code, as amended.
- (ii) Not a Sanctioned Company (Chapter 2252, Texas Government Code, as amended). 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. The foregoing representation excludes a 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.
- (iii) No Boycott of Energy Companies (Chapter 2276, Texas Government Code, as amended). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Texas Government Code, as amended.
- (iv) No Discrimination Against Firearm Entities or Firearm Trade Associations (Texas Government Code Chapter 2274). The Purchaser 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 will not discriminate against a firearm entity or firearm trade association. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Texas Government Code, as amended.

By submitting this bid, the Purchaser understands and agrees that if Purchaser should fail or refuse to take up and pay for the Bonds in accordance with this bid, or it is determined that after the acceptance of this bid by the District that the Purchaser was found not to satisfy the requirements described in the Official Notice of Sale and Bidding Instructions under the heading "ADDITIONAL CONDITIONS OF SALE" and as a result the Texas Attorney General will not deliver its approving opinion of the Bonds, then the check submitted herewith as the Purchaser's Good Faith Deposit shall be cashed and accepted by the District. IF THE DISTRICT 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 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 District 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.

FURTHER STATE LAW COMPLIANCE AND STANDING LETTER REQUIREMENT: By submitting this bid, the Purchaser understands and agrees that it must have a standing letter on file with the Texas Attorney General's Office in the form included to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any subsequent letters addressing similar matters (collectively, the "All Bond Counsel Letter"). In submitting this bid, the Purchaser represents to the District that it has filed a standing letter in the form included in the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Texas Attorney General's Office. The Purchaser hereby further agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter. THE LIABILITY OF THE PURCHASER FOR BREACH OF ANY OF THE VERIFICATIONS MADE IN CONNECTION WITH 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. ADDITIONALLY, THE DISTRICT 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 Purchaser agrees to provide such further representations, certifications or assurances in connection with the Covered Verifications, as of the Delivery Date or such other date requested by the District including, but not limited to, a bring down certification as provided by the All Bond Counsel Letter.

The Purchaser acknowledges that the District, in its sole discretion, has reserved the right to reject the bid of any bidder. The Purchaser understands and agrees that to the extent the Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see "ADDITIONAL CONDITIONS OF SALE - Good Faith Deposit" in the Official Notice of Sale).

A courtesy copy of their firm's standing letter required by the All Bond Counsel letters is submitted herewith, unless otherwise publicly available on the Municipal Advisory Council of Texas' website.

The undersigned agrees to the provisions of the Official Notice of Sale under the heading "DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS - ESTABLISHMENT OF ISSUE PRICE" and, as evidence thereof, agrees to complete, execute and deliver to the District by the date of Initial Delivery of the Bonds, a certificate relating to the "issue price" of the Bonds 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 District (as provided under "DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS - ESTABLISHMENT OF ISSUE PRICE").

The undersigned (mark one):

_____ Agrees to timely make a filing of a completed Disclosure Form with the District.

or

_____ 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.

(Note: Not part of bid)

Respectfully submitted,

By: _____
Authorized Representative

The Initial Certificate shall be registered in the name of _____ (syndicate manager), 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. We will advise the Paying Agent/Registrar of registration at least five business days prior to the date set for initial delivery.

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the Harmony Independent School District, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 13th day of January 2025.

Authorized Official

\$16,000,000*
HARMONY INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2025

ISSUE PRICE CERTIFICATE

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

The undersigned, (“Purchaser”), with respect to the purchase at competitive sale of the Unlimited Tax School Building Bonds, Series 2025 issued by the Harmony Independent School District (“District”) in the principal amount of \$16,000,000* (“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.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the District (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.

[Signature Page Follows]

*Preliminary, subject to change. See “THE BONDS – Post-Bid Adjustment of Principal Amount” and “Maturity Schedule for the Bonds” herein.

The undersigned understands that the foregoing information will be relied upon by the District 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 District 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 _____.

_____, as Purchaser

By: _____

Name: _____

SCHEDULE A
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

ISSUE PRICE CERTIFICATE

(Sales where 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 Unlimited Tax School Building Bonds Series 2025 issued by the Harmony Independent School District (“District”) in the principal amount of \$16,000,000* (“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.

For purposes of this Issue Price Certificate, the term “Underwriter” means (1) (i) a person that agrees pursuant to a written contract with the District (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 District [and the Borrower] 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 District 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 _____.

_____, as Purchaser

By: _____

Name: _____

*Preliminary, subject to change. See “THE BONDS – Post-Bid Adjustment of Principal Amount” and “Maturity Schedule for the Bonds” herein.

PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)