

This OFFICIAL NOTICE OF SALE does not alone constitute an invitation for bids on the Bonds but is merely notice of sale of the sale of the Bonds described herein. The invitation for bids is being made by means of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM attached hereto. Information contained in this OFFICIAL NOTICE OF SALE is qualified in its entirety by the detailed information contained in the PRELIMINARY OFFICIAL STATEMENT.

## OFFICIAL NOTICE OF SALE

### PORTER MUNICIPAL UTILITY DISTRICT

(A political subdivision of the State of Texas located within Montgomery County, Texas)

### HENDRICKS DEFINED AREA

**\$7,260,000**

### UNLIMITED TAX BONDS, SERIES 2022

The \$7,260,000 Hendricks Defined Area Unlimited Tax Bonds, Series 2022 (the "Bonds") are special obligations solely of Porter Municipal Utility District (the "District"), **secured solely by ad valorem taxes levied on property located only within the Porter Municipal Utility District Hendricks Defined Area (the "Defined Area")**, which is located within the District, and are not obligations of the State of Texas; Montgomery County, Texas; the City of Conroe, Texas; the City of Houston, Texas; or any other political subdivision or agency. See "THE BONDS--Source of Payment."

THE DISTRICT HAS NOT DESIGNATED THE BONDS AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.

#### THE SALE

Bonds Offered for Sale by Competitive Bidding: The Board of Directors (the "Board") of the District is inviting competitive bids for the Bonds.

#### **Receiving bids until: Tuesday, August 16, 2022, at 11:00 a.m., Central Time.**

Place and Time of Bid Opening: The Board will open and publicly read sealed bids for the purchase of the Bonds at 23922 Loop 494, Porter, Texas 77365, at 7:00 p.m., Central Time, on Tuesday, August 16, 2022. Sealed bids, which must be submitted on the OFFICIAL BID FORM, which is hereby made a part hereof, and plainly marked "Bid for Bonds," should be addressed to "President and Board of Directors, Porter Municipal Utility District," and will be received at the offices of Blich Associates, Inc. (or may be submitted electronically) **until 11:00 a.m., Central Time**, on the date of the sale. ***Any bid received after 11:00 a.m., Central Time, on the date of the sale will not be accepted and will be returned unopened. Please see "CONDITIONS OF THE SALE--Required Disclosure of Interested Parties" for additional requirements concerning submission of bids.***

Bidding Procedures: Bidders may submit their bids by one of four methods. Bidders may deliver their bids (a) in person or (b) by telephone to Blich Associates, Inc., the District's Financial Advisor, at or prior to 11:00 a.m., Central Time, on Tuesday, August 16, 2022; bidders may (c) submit their bids electronically through the facilities of PARITY; or bidders may (d) deliver their bids by facsimile following the prescribed procedures set forth below.

No later than 5:00 P.M., Central Time, Monday, August 15, 2022, bidders who wish to submit their bids electronically or by telephone must provide two SIGNED copies of the "Official Bid Form," together with an envelope addressed to "President and Board of Directors, Texas National Municipal Utility District," and plainly marked "Bid for Bonds," to Bill Blich, Blich Associates, Inc., 11111 Katy Freeway, Suite 820, Houston, Texas 77079-2118.

Electronic Bidding Procedure ... Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Subscription to the i-Deal LLC BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe. 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 OFFICIAL NOTICE OF SALE, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District. The District shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder. If any provisions of this OFFICIAL NOTICE OF SALE shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this OFFICIAL NOTICE OF SALE shall control. Further information about PARITY, including any fee charged, may be obtained from Dalcomp/Parity, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018. Phone: (212) 849-5021.

**For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by PARITY shall constitute the official time.** For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the District. All electronic bids shall be deemed to incorporate the provisions of this OFFICIAL NOTICE OF SALE and the OFFICIAL BID FORM. *Please see “CONDITIONS OF THE SALE–Required Disclosure of Interested Parties” for additional requirements concerning submission of bids.*

*Facsimile Bidding Procedure* ... Interested bidders may, at their option, utilize the fax method for submitting a bid. The District’s Financial Advisor (Blitch Associates, Inc., represented by Bill Blitch) will accept bids by fax until 11:00 a.m., Central Time, Tuesday, August 16, 2022, at (713) 467-3448. Each bid received by fax will be attached to the corresponding signed bid form as mentioned above, after which the District’s Financial Advisor will, on behalf of the bidders, submit such bids on such bid forms to the District in the manner provided above. The District’s Financial Advisor will not be responsible for submitting bids received after the 11:00 a.m., Central Time deadline.

Neither the District nor Blitch Associates, Inc. is responsible for any failure of their or the sender's facsimile machine, any failed delivery of a facsimile, any incomplete or ambiguous transmittals, or the disclosure of the bid to any persons prior to bid opening. If any portion of a facsimile bid is illegible, the District and Blitch Associates, Inc. may, at their option, either call any provided reference number for clarification or reject the bid. **Bidders who fax bids do so at their own risk. All such bids shall be binding on the bidder.**

*Assistance in Submitting Bids* ... Should a prospective bidder for the Bonds require assistance in submitting a bid for the Bonds, such bidder may send a signed bid form to the District’s Financial Advisor prior to the sale and arrange for a telephone call prior to 11:00 a.m., Central Time, on the date of the sale in order to complete the bid form. Please contact Mr. Bill Blitch, Blitch Associates, Inc., 11111 Katy Freeway, Suite 820, Houston, Texas 77079-2118, Telephone (713) 467-7344.

**Award of the Bonds:** The Board will take action to award the Bonds or reject all bids at its Board meeting on the date of the bid opening. Upon awarding the Bonds to the winning bidder (the "Underwriter"), the Board will adopt an order authorizing the issuance of the Bonds (the "Bond Order"). Sale of the Bonds will be made subject to the terms, conditions and provisions of the Bond Order, to which reference is hereby made for all purposes. **The District reserves the right to reject any and all bids and to waive any irregularities, except the time of filing. Please note that all bids must comply with the requirement listed in “CONDITIONS OF THE SALE–Required Disclosure of Interested Parties.”**

## THE BONDS

**Description of the Bonds:** The Bonds will be dated September 1, 2022 and interest will be calculated on the basis of a 360-day year of twelve 30-day months. Interest will be due on March 1, 2023 and semiannually on each September 1 and March 1 thereafter until stated maturity or prior redemption.

The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the Book-Entry-Only System described in the PRELIMINARY OFFICIAL STATEMENT. **No physical delivery of the Bonds will be made to the owners thereof.** Principal and

semi-annual interest will be paid by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, the initial paying agent/registrant (the "Paying Agent/Registrar") to DTC on each applicable payment date. DTC will be responsible for distributing the amounts so paid to the beneficial owners of the Bonds. Interest on the Bonds will be payable by check to registered holders as shown on the records of the Paying Agent/Registrar on the fifteenth calendar day of the month next preceding each payment date (the "Record Date").

The Bonds will mature on March 1 in each year as follows:

<u>Maturity</u>	<u>Amount</u>	<u>Maturity</u>	<u>Amount</u>
2024	\$75,000	2038(a)	\$110,000
2025	75,000	2039(a)	115,000
2026	80,000	2040(a)	115,000
2027	75,000	2041(a)	120,000
2028	80,000	2042(a)	465,000
2029(a)	80,000	2043(a)	485,000
2030(a)	85,000	2044(a)	505,000
2031(a)	85,000	2045(a)	520,000
2032(a)	90,000	2046(a)	545,000
2033(a)	95,000	2047(a)	565,000
2034(a)	95,000	2048(a)	585,000
2035(a)	100,000	2049(a)	610,000
2036(a)	105,000	2050(a)	635,000
2037(a)	105,000	2051(a)	660,000

(a) The Bonds maturing on or after March 1, 2029, are subject to redemption prior to maturity at the option of the District, as a whole or from time to time in part, on September 1, 2028, or on any date thereafter, at par plus accrued interest from the most recent interest payment date to the date fixed for redemption. If less than all of the Bonds of a maturity are to be redeemed at any time, the Bonds to be redeemed shall be selected by lot by the Paying Agent/Registrar.

Other Terms and Covenants: Other terms of the Bonds and the various covenants of the District contained in the Bond Order are summarized in the PRELIMINARY OFFICIAL STATEMENT, to which reference is hereby made for all purposes.

Source of Payment: The Bonds, when issued, will constitute valid and binding obligations of the District, payable from the proceeds of an annual ad valorem tax levied, without legal limitation as to rate or amount, against taxable property within the Defined Area, to the extent and upon the conditions described herein and in the Bond Order.

Use of Proceeds: Proceeds of the sale of the Bonds will be used to reimburse the Developer (defined hereinafter) for (i) water, wastewater and drainage for the Kroger development, (ii) clearing and grubbing for Brooklyn Trails, Section 1, (iii) water, wastewater and drainage for Brooklyn Trails Section 1, (iv) lift station for Brooklyn Trails, Section 1, (v) engineering and technical services and (vi) twelve months' capitalized interest. Proceeds will also be used to pay Porter Special Utility District for impact fees for Brooklyn Trails, Section 1 and engineering, legal fees, financial advisor's fees and certain other costs related to the issuance of the Bonds.

## CONDITIONS OF THE SALE

Types Of Bids And Interest Rates: **The Bonds will be sold together on an "all or none" basis at a price of not less than 97% of the par value thereof.** Bidders must specify the rate or rates of interest to be borne by Bonds, in multiples of 1/8 of 1% or 1/20 of 1%. All Bonds maturing within a single year must bear the same rate of interest. Bids involving supplemental interest payments or split interest rates will not be considered. ***The highest interest rate bid may not exceed the lowest rate bid by more than 5.00% in interest rate.*** The net effective interest rate on the Bonds may not exceed 5.37% as calculated pursuant to Chapter 1204, Texas Government Code, as amended. Each bidder shall state in its bid the total and net interest cost in dollars, which shall be considered informative only and not as a part of the bid.

Serial Bonds and/or Term Bonds: Bidders have the option of specifying that the principal amount of the Bonds payable in any two or more consecutive years may, in lieu of maturing in each of such years, be combined into term bonds. In the event that bidders choose to specify one or more term bonds, such term bonds will be subject to mandatory redemption by the District prior to their scheduled maturities on September 1 in the years and in the amounts set forth in the maturity schedule of the serial bonds.

Basis of Award: Subject to the right of the District to reject any and all bids, the sale of the Bonds will be awarded to the bidder making a qualified bid that conforms to the specifications herein and which produces the lowest net interest cost to the District. The interest cost of each bid will be computed by determining, at the rate specified therein, the total dollar cost of all interest on the Bonds from September 1, 2022, to maturity and adding thereto the discount bid, if any. Subject to the District's right to reject any or all bids, the Bonds will be awarded to the qualified bidder whose bid, under the above computation, produces the lowest net interest cost the District. In the event of mathematical discrepancies between the interest rate(s) bid and the interest cost determined therefrom, as both appear on the OFFICIAL BID FORM, the bid will be solely governed by the interest rate(s) shown on the OFFICIAL BID FORM.

Good Faith Deposit: Each bid must be accompanied by a bank cashier's check payable to the order of "Porter Municipal Utility District" in the amount of \$145,200 (the "Good Faith Deposit"). The check will be considered as a Good Faith Deposit, and the check of the Underwriter will be retained uncashed by the District pending the Underwriter's compliance with the terms of the OFFICIAL BID FORM and this OFFICIAL NOTICE OF SALE. In the event the Underwriter should fail or refuse to accept delivery of and pay for the Bonds in accordance with such terms, then the Good Faith Deposit shall be cashed and the proceeds accepted by the District as full and complete liquidated damages against the Underwriter. 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 to authorize its use as a Good Faith Deposit by the bidder, who shall be named in such instructions. The Good Faith deposit will be returned immediately after full payment has been made by the Underwriter to the District in federal or immediately available funds in the amount of the purchase price plus accrued interest thereon. No interest will be paid on the Good Faith Deposit. The check accompanying bids other than the winning bid will be returned immediately after the bids are opened and an award of the Bonds has been made.

Required Disclosure of Interested Parties: *Only those underwriters with established industry reputation for underwriting municipal bonds may bid on the Bonds. Bids received from entities not meeting this requirement may be rejected at the sole discretion of the District.*

Pursuant to Texas Government Code 2252.908 (the "Interested Party Disclosure Act" or the "Act"), the District may not award the Bonds to a bidder that is not a publicly traded business entity, or a wholly owned subsidiary of a publicly traded business entity unless the bidder, and each such syndicate member listed on the Official Bid Form, has provided to the District (in care of Blitch Associates, Inc., at bill@blitchassociates.com) a completed and signed TEC Form 1295 which has been assigned a certificate number by the Texas Ethics Commission (the "TEC"). Pursuant to the rules prescribed by the TEC, the TEC Form 1295 must be completed online through the TEC's website, assigned a certificate number, printed, signed and provided to the District. The TEC Form 1295 may accompany the Official Bid Form or may be submitted separately, but must be provided to the District prior to the time prescribed for the award of the Bonds. The TEC Form 1295 may be provided to the District via facsimile or electronically; however, the original signed TEC Form 1295 complete with certificate number must be physically delivered to the District (in care of Young & Brooks,

10000 Memorial Drive, Suite 260, Houston, Texas 77024-3430) within two business days of the award. Following the award of the Bonds, the District will notify the TEC of the receipt of each completed TEC Form 1295. The District reserves the right to reject any bid that does not comply with the requirements prescribed herein or to waive any such requirements.

For purposes of completing the TEC Form 1295, the entity's name is "Porter MUD–Hendricks Defined Area", the contract ID number is "PMUD-H- Bonds-S2022" and the description of services is "2022 Bond Underwriting." Neither the District nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the apparent winning bid.

Compliance With Laws Prohibiting Contracts With Companies That Boycott Israel and Certain Companies Engaged In Business With Iran, Sudan Or Foreign Terrorist Organizations: The District will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that, to the extent the bid for the Bonds represents a contract for goods or services within the meaning of Section 2271.002 of the Texas Government Code, as amended, solely for purposes of Chapter 2271 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of this bid and through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12, neither the bidder nor a syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit, boycotts or will boycott Israel. 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.

Additionally, the District will not award the Bonds to a bidder unless the bidder certifies that to the extent the bid for the Bonds represents a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law at the time of execution and delivery of this bid, neither the bidder nor a syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

Compliance With Laws Prohibiting Discrimination Against Fossil-Fuel Companies: The District will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that, to the extent the bid for the Bonds constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, 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 through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall mean, 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) above.

Compliance With Laws Prohibiting Discrimination Against Firearm Entities and Firearm Trade Associations: The District will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member



listed on the Official Bid Form that, to the extent the bid for the Bonds constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, 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 during the term of this through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, 'discriminate against a firearm entity or firearm trade association' (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) 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 (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) 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. As used in the foregoing verification, (b) 'firearm entity' means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) 'firearm trade association' means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

Contracting Information: The District will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that, to the extent the Official Bid Form represents a contract for goods or services within the meaning of Section 552.371 of the Texas Government Code, as amended, the bidder and each syndicate member listed on the Official Bid Form will (i) preserve all contracting information related to the bid as provided by the records retention requirements applicable to the District through the delivery date of the Bonds, (ii) promptly provide to the District any contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member on request of the District, and (iii) upon delivery of the Bonds to the bidder, either (a) provide at no cost to the District all contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member or (b) preserve the contracting information related to the bid as provided by the records retention requirements applicable to the District. The term "contracting information" as used in this paragraph has the meaning assigned to such term in Section 552.003 of the Texas Government Code.

Paying Agent/Registrar: The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A., Dallas, Texas. The Bonds are being issued in fully registered form in integral multiples of \$5,000 each of principal amount. Interest on the Bonds will be payable semiannually by the Paying Agent/Registrar to DTC. DTC will be responsible for distributing the interest paid to the beneficial owners of the Bonds.

No Municipal Bond Rating: The District has made no application for a municipal bond rating of the Bonds, nor is it expected that the District would have been successful in receiving an investment grade rating had such application been made. See "PRELIMINARY OFFICIAL STATEMENT."

## **ESTABLISHMENT OF ISSUE PRICE**

By submitting a bid, the Underwriter agrees to assist the District in establishing the issue price of the Bonds and agrees to execute and deliver to the District at least five (5) business days before the date of delivery of the Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel. 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 Financial Advisor identified herein and any notice or report to be provided to the District may be provided to the District's Financial Advisor.

The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

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

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the District does not receive sufficient qualified bids to satisfy the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) (the "Regulations"), allowing the District to treat the reasonably expected initial offering price to the public as of the Sale Date (as defined in the Regulations) as the issue price of the Bonds, the "hold-the-offering-price rule" shall apply, which will allow the District to treat the initial offering price to the public of each maturity as of the Sale Date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule applies to any maturity of the Bonds, the Underwriter agrees that it will neither offer nor sell any Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date and ending on the earlier of the following: (i) the date on which the Underwriter has sold at least 10 percent (10%) of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public or (b) the close of the fifth (5<sup>th</sup>) business day after the Sale Date. The Underwriter agrees to report to the District's Financial Advisor when it has sold at least 10 percent of the Bonds of a 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 (5<sup>th</sup>) business day after the Sale Date.

## **DELIVERY AND ACCOMPANYING DOCUMENTS**

Initial Delivery of Initial Bond: Delivery will be accomplished by the issuance of one Bond (the "Initial Bond"), either in typed or printed form, in the aggregate principal amount of \$7,260,000 payable to the Underwriter or its representative designated on the OFFICIAL BID FORM, signed by the President and Secretary of the Board with their manual or facsimile signatures, approved by the Attorney General of Texas, and registered by the Comptroller of Public Accounts of Texas. Upon delivery of the Initial Bond, it shall be immediately canceled and one definitive Bond for each maturity will be registered to Cede & Co., and deposited with DTC in connection with DTC's Book-Entry-Only-System. Delivery of the Initial Bond will be at the corporate trust office of the Paying Agent/Registrar in Dallas, Texas. Payment for the Initial Bond must be made in immediately available funds for unconditional credit to the District, or as otherwise directed

by the District. The Underwriter will be given five (5) business days' notice of the date fixed for delivery of the Initial Bond. It is anticipated that delivery of the Bonds can be made on or about September 20, 2022, and it is understood and agreed that the Underwriter will accept delivery and make payment for the Initial Bond by 10:00 A.M., Central Time on or about September 20, 2022, or thereafter on the date the Initial Bond is tendered for delivery, up to and including October 25, 2022. If for any reason the District is unable to make delivery on or before October 25, 2022, then the District shall immediately contact the Underwriter and offer to allow the Underwriter to extend his offer for an additional thirty days. If the Underwriter does not elect to extend its offer within six (6) days thereafter, then the Good Faith Deposit will be returned, and both the District and the Underwriter 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, provided such failure is due to circumstances beyond the District's control.

Exchange on Delivery Date: Upon presentment of the Initial Bond and upon payment for the Initial Bond at the time of the initial delivery of the Bonds, the Paying Agent/Registrar shall cancel the Initial Bond and deliver the exchange Bonds in principal denominations of \$5,000 or any integral multiple of \$5,000 for any one maturity in accordance with instructions received from the Underwriter as to the persons, principal amounts and maturity of such exchange.

Such Bonds shall be registered by the Paying Agent/Registrar. If the Underwriter desires to exchange the Initial Bond for exchange Bonds on the same day as the delivery of the Initial Bond, the Underwriter must furnish to the Paying Agent/Registrar, at least five (5) business days prior to the initial delivery of the Bonds, written instructions on forms to be provided by the Paying Agent/Registrar designating the names of the persons to whom such exchange Bonds are to be registered and transferred, addresses, social security or taxpayer identification numbers of such persons, and the principal amounts, maturities, and denominations of the exchange Bonds corresponding to such persons. The Paying Agent/Registrar will not accept any registration instructions after the five (5) day period. Otherwise, the Initial Bond will be transferred and exchanged in the ordinary course by the Paying Agent/Registrar. It is understood that all costs and expenses for the shipping, packaging, insuring and delivery of the exchange Bonds shall be borne by the Underwriter if the Underwriter requests delivery of the exchange Bonds at any location other than the corporate trust office of the Paying Agent/Registrar in Dallas, Texas.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this OFFICIAL NOTICE OF SALE. The Financial Advisor will obtain CUSIP identification numbers prior to the time the Bonds are awarded. The CUSIP Global Services charge for the assignment of the numbers shall be the responsibility of and shall be paid by the District.

Conditions to Delivery: The Underwriter's obligation to accept delivery of and pay for the Bonds is subject to the issuance of an approving opinion of the Attorney General of Texas as to the legality of the Bonds, the legal opinion of Young & Brooks, Houston, Texas ("Bond Counsel"), the No-Litigation Certificate, and the non-occurrence of the events indicated under "No Material Adverse Change" all as described below.

Legal Opinions: The District will furnish without cost to the Underwriter a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds, including a certified copy of the unqualified approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are legally valid and binding obligations of the District, and, based upon an examination of such transcript, the approving legal opinion of Bond Counsel to the effect that the Bonds are validly issued under the Constitution and laws of the State of Texas, and that interest on the Bonds is excludable from gross income for federal income tax purposes under existing law.

Not Qualified Tax-Exempt Obligations: The District has NOT designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended.

No-Litigation Certificate: The District will furnish the Underwriter a certificate executed by both the President and Secretary of the Board, dated as of the date of delivery of the Bonds, to the effect that there is not pending, and, to their



knowledge, there is not threatened, any litigation affecting the validity of the Bonds, or the levy and/or collection of taxes for the payment thereof, or the organization or boundaries of the District or the title of the officers thereof to their respective offices.

Certification Regarding Offering Prices of Bonds: In order to provide the District with information required to enable it to comply with certain conditions of the Code, relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Underwriter will be required to complete, execute and deliver to the District (on or before the date of delivery of the Bonds) a certification regarding the “issue price” of the Bonds substantially in the form accompanying this OFFICIAL NOTICE OF SALE and in accordance with the provisions described under the section entitled “ESTABLISHMENT OF ISSUE PRICE,” herein. In the event the Underwriter will not reoffer the Bonds for sale or is unable to sell a substantial amount of the Bonds of any maturity by the date of delivery, such certificate may be modified in a manner acceptable to the District. Each bidder, by submitting its bid, agrees to complete, execute and deliver such a certificate by the date of delivery of the Bonds, if its bid is accepted by the District. It will be the responsibility of the Underwriter 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.

No Material Adverse Change: The obligations of the District to deliver the Bonds and of the Underwriter 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 conditions of the District 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.

## **OFFICIAL STATEMENT**

To assist the Underwriter in complying with Rule 15c2-12 of the United States Securities and Exchange Commission (“SEC”), the District and the Underwriter contract and agree, by the submission and acceptance of the winning bid, as follows:

Final Official Statement: The District has approved and authorized distribution of the accompanying PRELIMINARY OFFICIAL STATEMENT for dissemination to potential purchasers of the Bonds, but does not presently intend to prepare any other document or version thereof for such purpose, except as described below. Accordingly, the District intends the PRELIMINARY OFFICIAL STATEMENT to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for information relating to the offering prices, interest rates, final debt service schedule, selling compensation, identity of the Underwriter and other similar information, terms and provisions to be specified in the competitive bidding process. The Underwriter shall be responsible for promptly informing the District of the initial offering yields of the Bonds. Thereafter, the District will complete and authorize distribution of the OFFICIAL STATEMENT identifying the Underwriter and containing such omitted information. The District does not intend to amend or supplement the OFFICIAL STATEMENT otherwise, except to take into account certain subsequent events, if any, as described below. By delivering the final OFFICIAL STATEMENT or any amendment or supplement thereto in the requested quantity to the Underwriter on or after the sale date, the District intends the same to be final as of such date, within the meaning of SEC Rule 15c2-12(e)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the OFFICIAL STATEMENT which are being or which will be made by the District are those described and contained in the OFFICIAL STATEMENT under the caption “PREPARATION OF OFFICIAL STATEMENT--Certification of Official Statement.”

Changes to Official Statement: If, subsequent to the date of the OFFICIAL STATEMENT, the District learns, through the ordinary course of business and without undertaking any investigations or examination for such purposes, or is notified by the Underwriter of any adverse event which causes the OFFICIAL STATEMENT to be materially misleading, and unless the Underwriter elects to terminate its obligation to purchase the Bonds, as described above under “DELIVERY AND ACCOMPANYING DOCUMENTS--Conditions to Delivery,” the District will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the OFFICIAL STATEMENT satisfactory to the Underwriter; provided, however, that the obligation of the District to do so will terminate when the District delivers

the Bonds to the Underwriter, unless the Underwriter notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time (but not more than 90 days after the date the District delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

Delivery of Official Statements: The District shall furnish to the Underwriter (and to each participating underwriter of the Bonds, within the meaning of SEC Rule 15c2-12(a), designated by the Underwriter), within seven (7) business days after the sale date, up to 50 copies (or such other number as may be agreed upon within three days of award of sale of the Bonds) of the OFFICIAL STATEMENT. The District also shall furnish to the Underwriter a like number of any supplements or amendments approved and authorized for distribution by the District for dissemination to potential purchasers of the Bonds, as well as such additional copies of the OFFICIAL STATEMENT or any such supplements or amendments as the Underwriter may request prior to the 90<sup>th</sup> day after the end of the underwriting period described in SEC Rule 15c2-12(e)(2). The District shall pay the expense of preparing the number of copies of the OFFICIAL STATEMENT specified above and an equal number of any supplements or amendments issued on or before the delivery date, but the Underwriter shall pay for all other copies of the OFFICIAL STATEMENT or any supplement or amendment thereto.

## GENERAL CONSIDERATIONS

**RISK FACTORS: THE BONDS INVOLVE CERTAIN INVESTMENT RISKS AS SET FORTH IN THE PRELIMINARY OFFICIAL STATEMENT. PROSPECTIVE PURCHASERS SHOULD CAREFULLY REVIEW THE ENTIRE PRELIMINARY OFFICIAL STATEMENT BEFORE MAKING THEIR INVESTMENT DECISIONS. PARTICULAR ATTENTION SHOULD BE GIVEN TO THE INFORMATION SET FORTH THEREIN UNDER THE CAPTION "RISK FACTORS."**

Not an Offer to Sell: This OFFICIAL NOTICE OF SALE does not alone constitute an offer to sell the Bonds but is merely notice of sale of the Bonds. The invitation for bids on the Bonds is being made by means of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM.

Continuing Disclosure Agreement: The District will agree in the Bond Order to provide certain periodic information and notices of material events in accordance with SEC Rule 15c2-12, as described in the PRELIMINARY OFFICIAL STATEMENT under "CONTINUING DISCLOSURE OF INFORMATION." The Underwriter's obligation to accept and pay for the Bonds is conditioned upon delivery to the Underwriter or its agent of a certified copy of the Bond Order containing the agreement described under such heading. In conjunction with the sale of a previous series of bonds, the District undertook certain continuing disclosure obligations in accordance with SEC Rule 15c2-12. For the last five years, the District has been in compliance with such undertaking.

Registration: In the event that the Book-Entry-Only-System should be discontinued, the Bonds may be transferred and exchanged on the bond register kept by the Paying Agent/Registrar upon surrender and reissuance. The Bonds are exchangeable for an equal principal amount of Bonds of the same maturity in any authorized denomination upon surrender of the Bonds to be exchanged at the principal office of the Paying Agent/Registrar. No service charge will be made for any transfer or exchange, but the District may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

**Reservation of Rights: The District reserves the right to reject any and all bids and to waive any and all irregularities except time of filing.**

Registration and Qualification of Bonds for Sale: The offer and sale of the Bonds has not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder; and the Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, nor have the Bonds been registered or qualified under the securities acts of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for

registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions. By submission of its bid, the Underwriter represents that the sale of the Bonds in states other than the State of Texas will be made pursuant to exemptions from registration or qualification, or where necessary, the Underwriter will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The District agrees to cooperate with the Underwriter, at the Underwriter's written request and expense, in registering or qualifying the Bonds or obtaining an exemption from registration or qualification (other than filing a consent to service of process in such state), in any state where such action is necessary, provided that the District shall not be required to file a general consent to service of process in any jurisdiction.

Additional Copies of Documents: Additional copies of this OFFICIAL NOTICE OF SALE, the PRELIMINARY OFFICIAL STATEMENT and the OFFICIAL BID FORM may be obtained from the Financial Advisor, Blich Associates, Inc., 11111 Katy Freeway, Suite 820, Houston, Texas 77079-2118, Telephone 713-467-7344, Facsimile 713-467-3448.

R. Wayne Curry  
President, Board of Directors  
Porter Municipal Utility District  
Montgomery County, Texas

**OFFICIAL BID FORM**

August 16, 2022

President and Board of Directors  
 Porter Municipal Utility District  
 c/o Blich Associates, Inc.  
 11111 Katy Freeway, Suite 820  
 Houston, Texas 77079-2118

Gentlefolk:

We have read in detail the Official Notice of Sale and Preliminary Official Statement, which are hereby made a part hereof, of Porter Municipal Utility District (the "District") relating to its \$7,260,000 Hendricks Defined Area Unlimited Tax Bonds, Series 2022 (the "Bonds"). We realize that the Bonds involve certain investment risks and that the ability of the District to service the Bonds depends, in part, on the risk factors set forth in the Preliminary Official Statement dated June 21, 2022. We have made such inspections and investigations as we deem necessary relating to the investment quality of the Bonds. Accordingly, we offer to purchase the Bonds for a cash price of \$\_\_\_\_\_ (which represents \_\_\_\_\_% of the par value), plus accrued interest to the date of delivery of the Bonds to us, provided such Bonds bear interest at the following rates:

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Due March 1</u>	<u>Principal Amount (a)</u>	<u>Interest Rate</u>
2024	\$75,000	_____ %	2038(a)	\$110,000	_____ %
2025	75,000	_____ %	2039(a)	115,000	_____ %
2026	80,000	_____ %	2040(a)	115,000	_____ %
2027	75,000	_____ %	2041(a)	120,000	_____ %
2028	80,000	_____ %	2042(a)	465,000	_____ %
2029(a)	80,000	_____ %	2043(a)	485,000	_____ %
2030(a)	85,000	_____ %	2044(a)	505,000	_____ %
2031(a)	85,000	_____ %	2045(a)	520,000	_____ %
2032(a)	90,000	_____ %	2046(a)	545,000	_____ %
2033(a)	95,000	_____ %	2047(a)	565,000	_____ %
2034(a)	95,000	_____ %	2048(a)	585,000	_____ %
2035(a)	100,000	_____ %	2049(a)	610,000	_____ %
2036(a)	105,000	_____ %	2050(a)	635,000	_____ %
2037(a)	105,000	_____ %	2051(a)	660,000	_____ %

(a) The Bonds maturing on or after March 1, 2029, are subject to redemption prior to maturity at the option of the District, as a whole or from time to time in part, on September 1, 2028, or on any date thereafter, at par plus accrued interest from the most recent interest payment date to the date fixed for redemption. If less than all of the Bonds of a maturity are to be redeemed at any time, the Bonds to be redeemed shall be selected by lot by the Paying Agent/Registrar.

At the option of the Underwriter, such serial maturities may be designated as term bonds subject to mandatory sinking fund redemption provided that the mandatory sinking fund amount in each year shall equal the amounts shown above as maturing in such year. We hereby designate the following as term bonds ("Term Bonds") with mandatory sinking fund redemptions:

<i><u>Term Bonds Maturity Date (March 1)</u></i>	<i><u>Year of First Mandatory Redemption</u></i>	<i><u>Principal Amount of Term Bonds</u></i>	<i><u>Interest Rate</u></i>
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %
20__	20__	\$ _____	_____ %

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

Total Interest Cost from September 1, 2022	\$ _____
Plus: Dollar Amount of Discount (Or Less: Dollar Amount of Premium)	\$ _____
NET INTEREST COST	\$ _____
NET EFFECTIVE INTEREST RATE	_____ %

The Initial Bond shall be registered in the name of \_\_\_\_\_ (syndicate manager). We will advise the corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, the Paying Agent/Registrar, on forms to be provided by the Paying Agent/Registrar, of our registration instructions at least five (5) business days prior to the date set for Initial Delivery.

We will require \_\_\_\_\_ copies of the final Official Statement for dissemination to potential purchasers of the Bonds. By our submission of this bid, we agree to provide such copies of the final Official Statement and of any amendments or supplements thereto in accordance with the Official Notice of Sale, and to undertake the obligations of the Underwriter described therein, as contemplated by Rule 15c2-12 of the United States Securities and Exchange Commission.

Cashiers Check No. \_\_\_\_\_ Issued by \_\_\_\_\_ Bank, \_\_\_\_\_, Texas, and payable to your order in the amount of \$145,200 (is attached hereto) (has been made available to you prior to the opening of this bid) as a Good Faith Deposit for disposition in accordance with the terms and conditions set forth in the Official Notice of Sale. Should we fail or refuse to make payment for the Bonds in accordance with such terms and conditions, this check shall be cashed and the proceeds retained as complete liquidated damages against us. The Good Faith Deposit



will be returned to the Underwriter uncashed on the date of delivery of the Bonds and payment of the purchase price thereof by the Underwriter.

We agree to accept delivery of and make payment for the Initial Bond in immediately available funds at the corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, not later than 10:00 A.M., Central Time, on September 20, 2022, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Official Notice of Sale.

The undersigned agrees to complete, execute and deliver to the District, by the date of delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form accompanying the Official Notice of Sale, with such changes thereto as may be acceptable to the District. In the event all of the Bonds are not sold to ultimate customers prior to the date of delivery of the Bonds, we will so notify the District on such date and comply with the "hold-the-offering-price rule" as described in the Official Notice of Sale. In addition, in the event the undersigned is the winning bidder for the Bonds, the undersigned agrees to provide the TEC Form 1295 or provide the District notification the TEC Form 1295 is not required as described in the NOTICE OF SALE under the heading "CONDITIONS OF SALE–Required Disclosure of Interested Parties."

By executing this Official Bid Form, the bidder hereby represents and certifies that the bidder (circle one;) [is] [is not] a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity for purposes of Texas Government Code §2252.908. The District may not accept this bid until it has received from the bidder, if that bidder is a privately held entity, a completed and signed TEC Form 1295 complete with a certificate number assigned by the Texas Ethics Commission ("TEC"), pursuant to Texas Government Code §2252.908 and the rules promulgated thereunder by the TEC. The undersigned understands that in such circumstances, failure to provide said form complete with a certificate number assigned by the TEC as provided for in the Official Notice of Sale will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

By executing this Official Bid Form, the bidder represents and verifies that, to the extent this bid for the Bonds represents a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of Chapter 2270 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of this bid and through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12, neither the bidder nor a syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit, boycotts or will boycott Israel. 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.

Additionally, by executing this Official Bid Form, the bidder also represents and certifies that to the extent this bid for the Bonds represents a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, at the time of execution and delivery of this bid, neither the bidder nor a syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.157 of the Texas Government Code.

The undersigned further verifies, to the extent this bid constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, that it and each syndicate member listed on the Official Bid Form 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 through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12. The foregoing verification is made solely to enable the District to comply with

such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall mean, 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) above.

Additionally, to the extent this bid constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the bidder and each syndicate member listed on the Official Bid Form 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 through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12. The foregoing verification is made solely to enable the District to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, ‘discriminate against a firearm entity or firearm trade association’ (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) 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 (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) 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. As used in the foregoing verification, (b) ‘firearm entity’ means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) ‘firearm trade association’ means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

The undersigned verifies on behalf of itself and each syndicate member listed on the Official Bid Form that, to the extent the Official Bid Form represents a contract for goods or services within the meaning of Section 552.371 of the Texas Government Code, as amended, the bidder and each syndicate member listed on the Official Bid Form will (i) preserve all contracting information related to the bid as provided by the records retention requirements applicable to the District through the delivery date of the Bonds, (ii) promptly provide to the District any contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member on request of the District, and (iii) upon delivery of the Bonds to the bidder, either (a) provide at no cost to the District all contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member or (b) preserve the contracting information related to the bid as provided by the records retention requirements applicable to the District. The term “contracting information” as used in this paragraph has the meaning assigned to such term in Section 552.003 of the Texas Government Code.

We hereby represent that sale of the Bonds in jurisdictions other than Texas will be made only pursuant to exemptions from registration or qualification and that, where necessary, we will register or qualify the Bonds in accordance with the securities laws and regulations of the jurisdictions in which the Bonds are offered or sold.

Respectfully submitted,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Representative

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the Porter Municipal Utility District, Montgomery County, Texas, this 20<sup>th</sup> day of September, 2022.

\_\_\_\_\_  
President, Board of Directors

**ATTEST:**

\_\_\_\_\_  
Secretary, Board of Directors

## ISSUE PRICE CERTIFICATE

The undersigned hereby certifies as follows with respect to the sale of its Porter MUD \$7,260,000 Hendricks Defined Area Unlimited Tax Bonds, Series 2022 (the "Bonds"):

1. The undersigned is the underwriter or the manager of the syndicate of underwriters (the "Underwriter") that has purchased the Bonds from Porter Municipal Utility District (the "District") at competitive sale.

2. The Underwriter was not given the opportunity to review other bids prior to submitting its bid, and the bid submitted by the Underwriter constituted a firm bid to purchase the Bonds.

3. The pricing wire attached hereto as Exhibit A sets forth the reasonably expected initial offering price of each maturity of the Bonds to the Public (the "Initial Offering Price") by the Underwriter (expressed as a percentage of principal amount and exclusive of accrued interest) as of the Sale Date. The Initial Offering Price for each maturity of the Bonds (a) represented the price (payable in cash, with no other consideration being included), at which the Underwriter reasonably expected that each such Bond would be sold to the Public, (b) did not exceed what the Underwriter believed to be the respective fair market value of each such Bond, based on the actual facts and reasonable expectations in existence on the Sale Date, and (c) was the basis for the Underwriter's winning bid for the Bonds.

4. The Underwriter has made a bona fide offering to the Public of all the Bonds of each maturity at the respective Initial Offering Price set forth in paragraph 3 above.

**If the District received fewer than three bids for the Bonds, complete paragraph 5.**

5. At least 10% of each maturity of the Bonds was sold to the Public at its respective Initial Offering Price on the Sale Date, except for the Bonds maturing in the years \_\_\_\_ and \_\_\_\_ (the "Excepted Maturities"). Neither the Underwriter, nor any person related to the Underwriter, offered nor sold to any person the Bonds of any Excepted Maturity at a price that is higher than the Initial Offering Price for the Bonds of that Excepted Maturity during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day following the Sale Date, or (ii) the date on which the Underwriter sold at least 10% of the Bonds of that maturity to the Public at a price no higher than the Initial Offering Price.

6. The term "Public" means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an underwriter or a related party to an underwriter. The term "underwriter" means any person that agrees to participate in the initial sale of the Bonds to the Public pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) or pursuant to a written contract directly or indirectly with any person which has entered into a written contract with the District or with the lead underwriter to form a syndicate (for example, a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

7. Sale Date means the first date on which there is a binding contract in writing for the sale of the Bonds. The Sale Date of the Bonds is August 16, 2022.

8. The undersigned has calculated the total underwriting spread on the Bonds to be \$ \_\_\_\_\_. As used herein, the term "total underwriting spread" means the cost for marketing and selling the Bonds, and includes (a) a total take down of \$ \_\_\_\_\_, (b) a total management fee of \$ \_\_\_\_\_, (c) fees and expenses of Underwriter's counsel in the estimated total amount of \$ \_\_\_\_\_, and (d) other expenses in the total estimated amount of \$ \_\_\_\_\_.

9. The Underwriter [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from \_\_\_\_\_ (the "Insurer") for a fee of \$ \_\_\_\_\_ (net of any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately

stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arms-length charge for the transfer of credit risk. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that had not been earned.

10. The undersigned understands that the statements made herein above will be relied upon by the District and Young & Brooks, Houston, Texas, in complying with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Bonds from the gross income of their owners for federal income tax purposes.

EXECUTED AND DELIVERED this \_\_\_\_\_ day of \_\_\_\_\_, 2022

\_\_\_\_\_  
(Name of Underwriter or Manager)

By \_\_\_\_\_

Title \_\_\_\_\_