

**NOTICE OF SALE  
AND  
BIDDING INSTRUCTIONS**

**ON**

**\$143,860,000\*  
CITY OF BROWNSVILLE, TEXAS  
(Cameron County, Texas)  
COMBINATION TAX AND REVENUE  
CERTIFICATES OF OBLIGATIONS, SERIES 2025A**

**Electronic Bids Due Thursday, September 4, 2025, at 10:00 AM CDT**

**ELECTRONIC BIDS**

Notice is hereby given that electronic proposals will be received via **PARITY**<sup>®</sup>, in the manner described below, until 10:00 AM CDT time, on September 4, 2025. Bids must be submitted electronically via **PARITY**<sup>®</sup> pursuant to this Notice of Sale and Bidding Instructions (the "Notice of Sale") until 10:00 AM CDT, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY**<sup>®</sup> conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**<sup>®</sup>, including any fee charged, potential bidders may contact Dave Gordon at Estrada Hinojosa at (214) 658-1670 or **PARITY**<sup>®</sup> at (212) 849-5021.

**THE SALE**

**CERTIFICATES OFFERED FOR SALE AT COMPETITIVE BIDDING** . . . The City of Brownsville, Texas (the "City") is offering for sale its \$143,860,000\* Combination Tax and Revenue Certificates of Obligations, Series 2025A (the "Certificates").

**BIDDING PROCEDURES** . . . Bidders must submit their bids electronically using the PARITY system, as described in "**ELECTRONIC BIDS**" below. Only bids through the PARITY system shall be accepted. Bids by other means will not be accepted. Any bids received after the scheduled time for their receipt will not be accepted.

**ELECTRONIC BIDS** . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid via the facilities of I-Deal, LLC PARITY System ("PARITY"). Bidders must submit their electronic bid by 10:00 AM CDT on the date of the sale, September 4, 2025. In the event of a malfunction in the electronic bidding process, the sale may be rescheduled at the discretion of the City. PARITY will not accept bids after the specified time. An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Certificates on the terms provided in this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City. The City shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale shall control.

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 Notice of Sale, the Official Bid Form and the Preliminary Official Statement. For information purposes only, bidders are requested to state in their electronic bids the true interest cost for the City, as described under "CONDITIONS OF THE SALE – Basis for Award" below. For further information about the PARITY System, including any fee charged, potential bidders may contact the City's Financial Advisor or I-Deal LLC at 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018, (212) 849-5021. The winning bidder shall submit a signed bid form if not previously submitted.

**PLACE AND TIME OF BID OPENING** . . . The bids for the Certificates will be opened at the City of Brownsville, 1001 E. Elizabeth, Brownsville, Texas 78522, at 10:00 AM CDT, on the date of the sale.

**AWARD AND SALE OF THE CERTIFICATES** . . . At a regular meeting to be held on Tuesday, September 2, 2025, the City will approve an ordinance authorizing the sale of the Certificates (the "Certificate Ordinance") and delegate to certain City officials ("Authorized Representatives") the authority to establish the final terms of the sale of the Certificates to be evidenced in an "Approval Certificate" relating to the Certificates to be approved on the date of the bid opening. The Certificate Ordinance and the Approval Certificate are herein called the "Ordinance". The City reserves the right to reject any or all bids and to waive any irregularities, except time of filing.

\*Preliminary, subject to change.

## THE CERTIFICATES

**DESCRIPTION . . .** The Certificates will be dated September 25, 2025 (the “Dated Date”). Interest will accrue from the date of initial delivery to the initial purchaser and will be due on February 15, 2026, and each August 15 and February 15 thereafter until maturity or prior redemption. The Certificates will be issued in fully registered form in any integral multiple of \$5,000 for any one maturity. The Certificates will be serial and/or term certificates, as specified by each bidder, and principal amounts or mandatory sinking fund redemption amounts will be paid on February 15 in each year as follows:

### MATURITY SCHEDULE

(February 15) Maturity	Principal Amount at Maturity	(February Maturity	Principal Amount at Maturity
2027	\$ 250,000	2037	\$ 7,495,000
2028	1,340,000	2038	7,880,000
2029	4,250,000	2039	8,285,000
2030	5,280,000	2040	8,710,000
2031	5,555,000	2041	9,155,000
2032	5,840,000	2042	9,625,000
2033	6,135,000	2043	10,120,000
2034	6,450,000	2044	10,640,000
2035	6,780,000	2045	11,185,000
2036	7,130,000	2046	11,755,000

**ADJUSTMENT OF PRINCIPAL AMOUNTS AND/OR BIDS INCLUDING CASH PREMIUM . . .** Prior to the Sale: Prior to 10:00 AM CDT on the business day before the bids are due, the City may, in its sole discretion, adjust the principal amount set forth in the Maturity Schedule under “THE CERTIFICATES – DESCRIPTION” and/or the type of bid required on the Certificates including the cash premium. Estrada Hinojosa, as Financial Advisor to the City, will give notice of any such adjustment by Bloomberg Wire, Inc. (“Bloomberg”) and PARITY. Any such notice shall be considered an amendment to this Notice of Sale and to the OFFICIAL BID FORM. For purposes of this paragraph, the term “Maturity Schedule” shall include any adjustments to the principal amounts shown above including the total par amount so made by the City by posting a change to PARITY and Bloomberg. Also see “CONDITIONS OF THE SALE” herein.

After the Sale: After final computation of the Bids, in awarding the sale to the best bidder, the City may determine in its sole discretion, that the funds necessary to carry out the purposes for which the Certificates are to be issued may be either more or less than the proceeds of the proposed sale of all of the Certificates. Upon making such determination, the City reserves the right to adjust the principal amount of the Certificates shown on the Maturity Schedule in \$5,000 increments. Such adjustments will not change the aggregate principal amount of the Certificates by more than 15% from the amount set forth herein or change the principal amount due on the Certificates in any year by more than 15%. Such adjustment(s), if any, shall be made within 4 hours of the award of the Certificates.

THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS. The dollar amount bid by the successful bidder will be adjusted to reflect changes in the aggregate principal amounts of the Certificates. Such adjusted bid price will reflect changes in the dollar amount of the underwriter’s discount and the original issue discount/premium, if any, but will not change the selling compensation per \$1,000 of par amount of the Certificates from the selling compensation that would have been received based on the purchase price in the winning bid and initial reoffering prices.

In the event of any adjustment of the Maturity Schedule for the Certificates as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. Any such adjustment of the aggregate principal amount of the Certificates and/or the Maturity Schedule for the Certificates made by the City or its Financial Advisor shall be subsequent to the award of the Certificates to the winning bidder as determined pursuant to “CONDITIONS OF THE SALE” 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.

**BOOK-ENTRY-ONLY SYSTEM . . .** The City intends to utilize the Book-Entry-Only System of The Depository Trust Company (“DTC”). See “THE CERTIFICATES – BOOK-ENTRY-ONLY SYSTEM” in the Preliminary Official Statement.

**SERIAL CERTIFICATES OR COMBINATION OF SERIAL CERTIFICATES AND/OR TERM CERTIFICATES . . .** The City has provided that prospective purchasers may elect that all the Certificates be issued as serial certificates maturing in accordance with the Maturity Schedule shown above (Alternative 1) or as a combination of serial certificates and/or term certificates (Alternative 2).

#### *Alternative 1 - Serial Certificates:*

Serial certificates maturing on February 15, 2027 through February 15, 2046.

#### *Alternative 2 - Serial Certificates and/or Term Certificates:*

Serial certificates maturing on February 15, 2027 through February 15, 2046, and/or term certificate maturities with each term consisting of two or more consecutive annual principal amounts accumulated from the Maturity Schedule shown above. There may be any combination of serial and term certificates.

**MANDATORY SINKING FUND REDEMPTION . . .** If the successful bidder designates principal amounts to be combined into one or more term certificates (the "Term Certificates"), each such term certificate shall be subject to mandatory sinking fund redemption commencing on February 15 of the first year which has been combined to form such term certificate and continuing on February 15 in each year thereafter until the stated maturity date of that term certificate at the redemption prices of par plus accrued interest to the date of redemption. The principal amounts redeemed in any year on each mandatory redemption date shall be equal to the principal amount for such year set forth in the table under the "MATURITY SCHEDULE" in the Official Bid Form, had no conversion to Term Certificates occurred. Certificates to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par and shall be selected by the Paying Agent/Registrar by lot from among the Certificates then subject to redemption. The City, at its option, may credit against any mandatory sinking fund redemption requirement Term Certificates of the maturity then subject to redemption which have been acquired by the City and canceled by the Paying Agent/Registrar or have been redeemed and not theretofore applied as a credit against any mandatory sinking fund redemption requirement.

Approximately forty-five (45) days prior to each mandatory redemption date for the Term Certificates, the Paying Agent/Registrar shall select by lot the numbers of the Term Certificates within the applicable stated maturity to be redeemed on the next following February 15 from moneys set aside for that purpose in the Interest and Sinking Fund (as defined in the Certificate Ordinance). Any Term Certificate not selected for prior redemption shall be paid on the date of its stated maturity.

The principal amount of the Term Certificates for a stated maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Certificates of like stated maturity which, at least fifty (50) days prior to the mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not therefore credited against the mandatory redemption requirement.

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

**OPTIONAL REDEMPTION . . .** The City reserves the right, at its option, to redeem Certificates 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 the par value thereof plus accrued interest to the date of redemption (see "THE CERTIFICATES – Redemption Provisions" in the Preliminary Official Statement).

**PAYING AGENT/REGISTRAR . . .** The initial Paying Agent/Registrar for the Certificates is UMB Bank, N.A., Houston, Texas (see "REGISTRATION, TRANSFER AND EXCHANGE - Paying Agent/Registrar" in the Preliminary Official Statement).

**SECURITY . . .** The Certificates, when issued, will be direct obligations of the City, payable from the proceeds of a continuing and direct and annual ad valorem tax levied, within the limits prescribed by law, against all taxable property within the City as described in the Preliminary Official Statement. The Certificates are additionally payable from a pledge of surplus revenues of the City's municipal landfill system.

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

## **CONDITIONS OF THE SALE**

**TYPES OF BIDS AND INTEREST RATES . . .** The Certificates will be sold in one block on an "All or None" basis, at a price of not less than **102.5% of par and not more than 107.5% of par**. Bidders are invited to name the rate(s) of interest to be borne by the Certificates, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1% and the net effective interest rate must not exceed 20%. The highest rate bid may not exceed the lowest rate bid by more than 3% in rate. The maximum coupon rate shall not exceed 5.00%. **Each bidder shall state in the bid the total interest cost in dollars and the true interest cost rate which shall be considered informative only and not as a part of the bid.** No limitation is imposed upon bidders as to the number of rates or changes which may be used. All Certificates of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered. Each bidder shall state in the bid the total interest cost in dollars and the net effective interest rate determined thereby (calculated in the manner prescribed by Chapter 1204, Texas Government Code), which shall be considered informative only and not as a part of the bid. In the event of a bidder's error in interest cost rate calculations, the interest rates set forth in the Official Bid Form will be considered as the intended bid. Also see "THE CERTIFICATES – ADJUSTMENT OF PRINCIPAL AMOUNTS AND/OR TYPES OF BIDS INCLUDING CASH PREMIUM" herein.

The Purchaser (defined below) must provide the initial reoffering prices to the Financial Advisor by 10:00 AM CDT, or within 30 minutes of being notified on the sale date. Such offering prices and yields, among other things, will be used by the Financial Advisor to calculate the final principal amount of each maturity of the Certificates and the cash premium for the Certificates. It is anticipated that the final principal amount of each maturity of the Certificates and the final cash premium amount will be communicated to the successful bidder by 10:00 AM CDT, on the date of the sale.

**BASIS FOR AWARD . . .** Subject to the City's right to reject any or all bids and to waive irregularities except for time of filing, the sale of the Certificates will be awarded to the bidder making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the City (the "Purchaser"). The True Interest Cost rate is the rate which, when used to compute the total present value as of the Delivery Date of all debt service payments on the Certificates on the basis of semi-annual compounding, produces an amount equal to the par value of the Certificates plus any premium. 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.

**GOOD FAITH DEPOSIT . . .** The winning bidder will be required to provide a deposit in the amount of \$1,438,600 to the City as bid security no later than 2:00 PM CDT on September 4, 2025. The bid security may be provided to the City (i) via wire transfer (the City or its Financial Advisor will provide wire instructions to the winning bidder), or (ii) in the form of a certified or cashier's check made payable to the order of City in the amount of the deposit set forth above and delivered to Dave Gordon, Estrada Hinojosa, 600 N. Pearl St., Suite 2100, South Tower, Dallas, TX 75201.

The wire option will be retained by the City and: (a) will be applied, without allowance for interest, against the purchase price when the Certificates are delivered to and paid for by such winning bidder, (b) will be retained by the City as liquidated damages if the winning bidder defaults with respect to the terms of its bid (other than default related to the Covered Verifications), or (c) will be returned to the winning bidder if the Certificates are not issued by the City for any reason which does not constitute a default by the winning bidder.

If the check option is utilized, the check will be (a) returned uncashed to the winning bidder when the Certificates are delivered to and paid for by such winning bidder, (b) cashed by the City as liquidated damages if the winning bidder defaults with respect to the terms of its bid (other than default related to the Covered Verifications), or (c) returned uncashed to the winning bidder if the Certificates are not issued by the City for any reason which does not constitute a default by the winning bidder.

In the event the Purchaser should fail or refuse to take up and pay for the Certificates in accordance with the bid, then the Good Faith Deposit shall be accepted by the City as full and complete liquidated damages except as provided under the caption "CONDITIONS OF THE SALE – VERIFICATION OF STATUTORY REPRESENTATIONS AND COVENANTS".

**ADDITIONAL CONDITION OF AWARD — DISCLOSURE OF INTERESTED PARTY FORM. . . Obligation of the City to Receive Information From Winning Bidder** . . . Pursuant to Texas Government Code, Section 2252.908 (the "Interested Party Disclosure Act"), unless a Bidder is exempt from the filing requirements of Section 2252.908, the City may not award the Certificates to a bidder unless the bidder submits a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the City as prescribed by the Texas Ethics Commission ("TEC") at the time the bidder submits its Official Bid Form. Effective January 1, 2018, publicly traded business entities (including wholly owned subsidiaries of a publicly traded business entity) are not required to file Form 1295 as provided in Section 2252.908(c)(4).

In the event that the bidder's bid for the Certificates is the best bid received, the City, acting through its Financial Advisor, will promptly notify the bidder. That notification will serve as the conditional verbal acceptance of the bid and the winning bidder must promptly file the materials described below. The apparent winning bidder and each syndicate member listed on the Official Bid Form must have submitted either (1) a completed Disclosure Form, as described below, or (2) a written representation that it is exempt from the Form 1295 filing requirements pursuant to Section 2252.908(c)(4), not later than two hours after the deadline for the submission of bids in order for City to complete the formal award. If the apparent winning bidder and each syndicate member listed on the Official Bid Form fails to file the Disclosure Form or written representation regarding the exemption from the filing requirement within the time period described in the previous sentence, the City reserves the right to notify the apparent winning bidder that their bid has been rejected and award the sale to the next highest rated bidder.

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

**Process For Completing The Disclosure Form** . . . The Disclosure Form can be found at <https://www.ethics.state.tx.us/data/forms/1295/1295.pdf>, and reference should be made to the following information in order to complete it: (a) item 2 – Name of City ("City of Brownsville, Texas"), (b) item 3 – the identification number ("CO Series 2025A Bid"), and (c) item 3 – description of the goods or services assigned to this contract by the City ("Certificate Purchasing Services").

If submitting a Disclosure Form, the Bidder must (i) complete the Disclosure Form electronically at the TEC's "electronic portal", and (ii) print, sign and deliver a copy of the Disclosure Form that is generated by the TEC's "electronic portal."

**Submission of Written Representation Regarding Exemption or Completed Disclosure Form** . . . The completed Disclosure Form or the written representation regarding the exemption from the Form 1295 filing requirements must be delivered electronically to Stephen Muse at [Stephen.muse@brownsvilletx.gov](mailto:Stephen.muse@brownsvilletx.gov), the City's Financial Advisors, Dave Gordon and Isaiah Huerta, at [dgordon@ehmuni.com](mailto:dgordon@ehmuni.com) and [ihuerta@ehmun.com](mailto:ihuerta@ehmun.com), and the City's Bond Counsel, Orlando "Jay" Juarez, Jr. and Sylvia Ibarra, at [juarez@mphlegal.com](mailto:juarez@mphlegal.com) and [sibarra@mphlegal.com](mailto:sibarra@mphlegal.com) **no later than two hours after the deadline for the submission of bids on the Sale Date.**

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

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

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

**Not a Sanctioned Company . . .** Each bidder represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153, Government Code, or Section 2270.0201, Government Code. The foregoing representation excludes the bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

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

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

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

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

#### **ESTABLISHMENT OF ISSUE PRICE**

##### **(HOLD-THE-OFFERING PRICE RULE WILL APPLY IF COMPETITIVE SALE REQUIREMENTS ARE NOT SATISFIED)**

The City 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 City receives bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirement”).

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

In order to provide the City with information that enables it to comply with the establishment of the issue price of the Certificates under the Internal Revenue Code of 1986, as amended, the winning bidder agrees to complete, execute, and timely deliver to the City or to the City’s Financial Advisor, Estrada Hinojosa (the “City’s Financial Advisor”) a certification as to the Certificates’ “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 First Price Maturities. In the event the winning bidder will not reoffer any maturity of the Certificates 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 City. 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 City (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the Public),
- (iii) “Related Party” means any two or more persons (including an individual, trust, estate, partnership, association, company, or corporation) that are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Certificates are awarded by the City to the winning bidder.

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

The City will consider any bid submitted pursuant to this Notice of Sale to be a firm offer for the purchase of the Certificates, as specified in the bid and, 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 third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Certificates to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A) to report the prices at which it sells to the Public the unsold Certificates of each maturity allocated to it until either all such Certificates have been sold or it is notified by the winning bidder that either the 10% Test has been satisfied as to the Certificates of that maturity, (B) to promptly notify the winning bidder of any sales of Certificates that, to its knowledge, are made to a purchaser who is a Related Party to an Underwriter, and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder will assume that based on such agreement each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public; and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Certificates to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Certificates to the Public to require each underwriter or dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Certificates of each maturity allocated to it until either all such Certificates have been sold or it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Certificates of that maturity. Sales of any Certificates to any person that is a Related Party to an Underwriter shall not constitute sales to the public for purposes of this Notice of Sale.

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

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

**CUSIP NUMBERS . . .** It is anticipated that CUSIP identification numbers will appear on the Certificates, but neither the failure to print or type such number on any 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 Certificates in accordance with the terms of this Notice of Sale and the terms of the Official Bid Form. All expenses in relation to the printing or typing of CUSIP numbers on the Certificates shall be paid by the City.

**INITIAL DELIVERY OF THE CERTIFICATES . . .** Initial delivery will be accomplished by the issuance of one Initial Certificate with installment payments for the years of stated maturity (also called the “Certificate” or “Certificates”), either in typed or printed form, in the aggregate principal amount of \$143,860,000 (preliminary, subject to change), payable to the Purchaser, approved by the Attorney General of the State of Texas (the “Attorney General”), and registered and signed manually or by facsimile by the Comptroller of Public Accounts. Upon delivery of the

Initial Certificate, it shall be immediately canceled and one definitive Certificate for each maturity will be registered and delivered only to Cede & Co., and deposited with DTC in connection with DTC's Book-Entry-Only System. Delivery will be at the designated office of the Paying Agent/Registrar. Payment for the Certificates must be made in immediately available funds for unconditional credit to the City, or as otherwise directed by the City. The Purchaser will be given six business days' notice of the time fixed for delivery of the Certificates. It is anticipated that Delivery of the Certificates can be made on or about Thursday, September 25, 2025, and it is understood and agreed that the Purchaser will accept delivery and make payment for the Certificates by 10:00 AM CDT, on Thursday, September 25, 2025, or thereafter on the date the Certificates are tendered for delivery, up to and including Thursday, October 9, 2025. If for any reason the City is unable to make delivery on or before Thursday, October 9, 2025, the City 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 City and the Purchaser shall be relieved of any further obligation.

In no event shall the City be liable for any damages by reason of its failure to deliver the Certificates.

**CONDITIONS TO DELIVERY . . .** The obligation of the Purchaser to take up and pay for the Certificates is subject to the Purchaser's receipt of (a) the legal opinion of McCall, Parkhurst & Horton LLP, San Antonio, Texas, Bond Counsel for the City ("Bond Counsel") and (b) the no-litigation certificate. In order to provide the City with information required to enable it to comply with certain conditions of the Code relating to the exemption of interest on the Certificates from the gross income of their owners, the Purchaser will be required to complete, execute, and deliver to the City (not later than 6 business days prior to delivery of the Certificates) a certification as to their "issue price" substantially in the form and to the effect attached hereto or accompanying this Notice of Sale. **In no event will the City fail to deliver the Certificates as a result of the Initial Purchaser's inability to sell a substantial amount of the Certificates at a particular price prior to delivery.** Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate no later than 6 business days prior to delivery of the Certificates, if its bid is accepted by the City. It will be the responsibility of the Purchaser to institute such syndicate reporting requirements to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

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

**CERTIFICATION OF OFFICIAL STATEMENT . . .** At the time of payment for, and initial delivery of the Certificates, the City will execute and deliver to the Purchaser a certificate addressing certain matters as set forth in the Preliminary Official Statement under "OTHER PERTINENT INFORMATION – Certification of the Official Statement."

## **GENERAL**

**FINANCIAL ADVISOR . . .** Effective August 2, 2024, Texas State Bankshares, Inc., the registered bank holding company for Texas Regional Bank (collectively, "TRB"), completed its acquisition of Dallas-based investment banking group Estrada Hinojosa & Company, Inc. ("Estrada Hinojosa"). Estrada Hinojosa operates under TRB Capital Markets, LLC, a wholly-owned subsidiary of TRB, using the assumed name of "Estrada Hinojosa". Estrada Hinojosa (the "Financial Advisor") is employed by the City as Financial Advisor in connection with the issuance of the Certificates, and payment of fees for services rendered with respect to the sale of the Certificates is contingent upon the issuance and delivery of the Certificates. Estrada Hinojosa in its capacity as Financial Advisor, 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 Certificates, 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 Certificates in states other than Texas will be made only pursuant to exemptions from registration or, where necessary, the Purchaser will register the Certificates in accordance with the securities law of the states in which the Certificates are offered or sold. The City agrees to cooperate with the Purchaser, at the Purchaser's written request and expense, in registering the Certificates or obtaining an exemption from registration in any state where such action is necessary, provided, however, that the City shall not be obligated to qualify as a foreign corporation or execute a general or special consent to service of process in any such jurisdiction.

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

**RATINGS . . .** The Certificates have been rated "Aa3" by Moody's Investors Service, Inc. ("Moody's") and "\_\_\_" by S&P Global Ratings, a division of S&P Global Inc. ("S&P"). The presently outstanding ad valorem tax supported debt of the City is rated "Aa3" by Moody's and "\_\_\_" by S&P.

**THE PRELIMINARY OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15c2-12 . . .** The City has prepared the accompanying Preliminary Official Statement and, for the limited purpose of complying with the United States Securities and Exchange Commission (“SEC”) Rule 15c2-12 (“Rule 15c2-12”), deems such Preliminary Official Statement to be final as of its date within the meaning of such Rule for the purpose of review prior to bidding. Representations made and to be made by the City concerning the absence of material misstatements and omissions in the Preliminary Official Statement are addressed elsewhere in this Notice of Sale and in the Preliminary Official Statement.

The City will furnish to the Purchaser, or Purchasers, within seven (7) business days after the sale date, an aggregate maximum of one hundred (100) copies of the Official Statement (and 100 copies of any addenda, supplement or amendment thereto), together with information regarding interest rates and other terms relating to the reoffering of the Certificates, in accordance with Rule 15c2-12. The Purchaser may arrange at its own expense to have the Official Statement reproduced and printed if the Purchaser requires more than 100 copies and may also arrange, at the Purchaser’s own expense and responsibility, for completion and perfection of the first or cover page of the Official Statement so as to reflect interest rates and other terms and information related to the reoffering of the Certificates. The Purchaser will be responsible for providing information concerning the City and the Certificates to subsequent purchasers of the Certificates, and the City will undertake no responsibility for providing such information other than to make the Official Statement available to the Purchaser as provided herein. The City’s obligation to supplement the Official Statement to correct key representations determined to be materially misleading, after the date of the Official Statement, shall terminate upon initial delivery of the Certificates to the Purchaser, unless the Purchaser notifies, in writing, the City that less than all of the Certificates have been sold to ultimate customers on or before such date, in which case the obligation will extend for an additional period of time (but not more than 90 days after the sale date) until all of the Certificates have been sold to ultimate customers. The Purchaser shall be responsible for providing in writing the initial reoffering prices and other terms, if any to the Financial Advisor by the close of the next business day after the award. Except as noted above, the City assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the Certificates.

**ADDITIONAL COPIES OF NOTICE, BID FORM, AND STATEMENT . . .** A limited number of additional copies of this Notice of Sale, the Official Bid Form and the Preliminary Official Statement, as available over and above the normal mailing, may be obtained at the offices of Estrada Hinojosa & Company, Inc., 600 N. Pearl St., Suite 2100, South Tower, Dallas, TX 75201, Financial Advisor to the City.

**CONTINUING DISCLOSURE AGREEMENT.** . The City has agreed in the Ordinance to provide certain periodic information and notices of certain events in accordance with Rule 15c2-12, as described in the Preliminary Official Statement under “CONTINUING DISCLOSURE OF INFORMATION”. The Purchaser’s obligation to accept and pay for the Certificates is conditioned upon delivery for the Purchaser or its agent of a certified copy of the Ordinance containing the agreement described under such heading.

**COMPLIANCE WITH PRIOR UNDERTAKINGS.** . . During the last five years, the City has complied materially with all continuing disclosure agreements made by it in accordance with the Rule, except for an untimely filing on November 24, 2020 with respect to a private placement loan, Combination Tax and Revenue Certificates of Obligation, Series 2020, placed with the Texas Water Development Board. The City has modified its prior continuing disclosure practices and believes that it has implemented procedures that will help to ensure that filings in the future are made appropriately in compliance with its continuing disclosure undertakings.

In the Ordinance, the City Commission authorized the Authorized Representative to approve for and on behalf of the City, (i) the form and content of the Official Statement, and any addenda, supplement or amendment thereto, and (ii) the Purchaser’s use of the Preliminary Official Statement in connection with the public offering and sale of the Certificates, all of which an Authorized Representative will approve in the Certificate Approval Certificate.

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Authorized Representative  
City of Brownsville, Texas

Dated: August 21, 2025



## OFFICIAL BID FORM

September 4, 2025

Mayor and City Commission:

Reference is made to your Preliminary Official Statement and Notice of Sale, dated August 21, 2025 of \$143,860,000\* CITY OF BROWNSVILLE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATIONS, SERIES 2025A both of which constitute a part hereof.

For your legally issued Certificates, as described in said Notice of Sale and Preliminary Official Statement, we will pay you par plus a cash premium of \$\_\_\_\_\_ (not less than 102.5% of par and not more than 107.5% of par) for the Certificates maturing and bearing interest as follows:

## MATURITY SCHEDULE

(February 15) Maturity	Principal Amount at Maturity	Interest Rate	(February 15) Maturity	Principal Amount at Maturity	Interest Rate
2027	\$ 250,000		2037	\$ 7,495,000	
2028	1,340,000		2038	7,880,000	
2029	4,250,000		2039	8,285,000	
2030	5,280,000		2040	8,710,000	
2031	5,555,000		2041	9,155,000	
2032	5,840,000		2042	9,625,000	
2033	6,135,000		2043	10,120,000	
2034	6,450,000		2044	10,640,000	
2035	6,780,000		2045	11,185,000	
2036	7,130,000		2046	11,755,000	

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

Total Interest Cost	\$ _____
Less Premium	\$ _____
Net Interest Cost	\$ _____
TRUE INTEREST COST RATE	_____ %

Check appropriate box and fill in the blank in Alternative 2 if it is chosen:

Alternative 1: ☐ All Serial Certificates

Alternative 2: ☐ The Term Certificates must consist of two or more consecutive annual principal amounts accumulated from 2027 through 2046 maturities from the maturity schedule shown above.

\*Preliminary, subject to change.

Of the principal maturities set forth in the table above, term certificates have been created as indicated in the following table (which may include multiple term certificates, one term certificate or no term certificates if none is indicated). For those years which have been combined into a term 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 certificates created are as follows:

<b>Term Certificate Maturing <u>February 15</u></b>	<b>Year of First Mandatory <u>Redemption</u></b>	<b>Principal <u>Amount</u></b>	<b>Interest <u>Rate</u></b>
		\$	
		\$	
		\$	
		\$	
		\$	

We are having the Certificates of the following maturities \_\_\_\_\_ insured by \_\_\_\_\_ at a premium of \$ \_\_\_\_\_, **said premium to be paid by the Purchaser.** Any fees to be paid to the rating agencies as a result of said insurance **will be paid by the City.**

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

A wire or bank cashier's check or certified check of the \_\_\_\_\_ Bank, \_\_\_\_\_, in the amount of \$1,438,600, which represents our Good Faith Deposit (is attached hereto) or (has been made available to you prior to the opening of this bid), and is submitted in accordance with the terms as set forth in the Preliminary Official Statement and Notice of Sale.

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

Unless the bidder certifies that it is exempt from filing a Disclosure Form with the City, upon notification of conditional verbal acceptance, the undersigned will complete an electronic form of the Certificate of Interested Parties Form 1295 (the "Disclosure Form") through the Texas Ethics Commission's (the ("TEC") electronic portal and the resulting certified Disclosure Form that is generated by the TEC's electronic portal will be printed, signed and sent by email to the City at [lupe.granado@brownsvilletx.gov](mailto:lupe.granado@brownsvilletx.gov), City's Financial Advisors at [dgordon@ehmuni.com](mailto:dgordon@ehmuni.com) and [ihuerta@ehmuni.com](mailto:ihuerta@ehmuni.com), and the City's Bond Counsel at [ojuarez@mphlegal.com](mailto:ojuarez@mphlegal.com) and [sibarra@mphlegal.com](mailto:sibarra@mphlegal.com). The undersigned understands that the failure to provide the certified Disclosure Form will prohibit the City from providing final written award of the enclosed bid.

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

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

We agree to accept delivery of the Certificates utilizing the Book-Entry-Only System through DTC and make payment for the Initial Certificate in immediately available funds to UMB Bank, N.A., Houston, Texas, not later than 10:00 AM CDT, on September 25, 2025, or thereafter on the date the Certificates are tendered for delivery, pursuant to the terms set forth in the Notice of Sale. It will be the obligation of the Purchaser of the Certificates to complete the DTC Eligibility Questionnaire.

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 (Texas Government Code Chapter 2271). 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 through the date of delivery of the Certificates. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.
- (ii) Not a Sanctioned Company (Texas Government Code Chapter 2252). 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, Government Code. 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 (Texas Government Code Chapter 2276). 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 through the date of delivery of the Certificates. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.
- (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 through the date of delivery of the Certificates. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

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

By submitting this bid, the Purchaser understands and agrees that it must have a standing letter on file with the Municipal Advisory Council of Texas and 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 this bid, the Purchaser represents to the City 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 City may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office. The Purchaser hereby further agrees that it will not rescind its standing letter at any time before the delivery of the Certificates unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

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

The Purchaser acknowledges that the City, in its sole discretion, has reserved the right to reject the bid of any bidder who is, or whose parent company, subsidiaries or affiliates are, on a list maintained by the Texas Comptroller or the Texas Attorney General of financial companies boycotting energy companies or discriminating against firearm entities.

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 City reserves the right to cash and accept the Good Faith Deposit (see "CONDITIONS OF THE SALE – Good Faith Deposit" in the Official Notice of Sale).

NOTWITHSTANDING ANYTHING CONTAINED HEREIN, THE REPRESENTATIONS AND COVENANTS CONTAINED IN THIS OFFICIAL BID FORM SHALL SURVIVE TERMINATION OF THIS OFFICIAL BID FORM OF THE PURCHASER TO PURCHASE THE CERTIFICATES UNTIL THE STATUTE OF LIMITATIONS HAS RUN.

At the request of the City, the undersigned agrees to execute further written certification as may be necessary or convenient for the City to establish compliance with these laws.

**We agree to provide in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award.**

Respectfully submitted,

Syndicate Members

\_\_\_\_\_  
Name of the Initial Purchaser or Manager

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

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

\_\_\_\_\_  
Signature

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the City of Brownsville, Texas, subject to and in accordance with the Notice of Sale, this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Authorized Official  
City of Brownsville, Texas

**CITY OF BROWNSVILLE, TEXAS**  
**COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATIONS, SERIES 2025A**  
**ISSUE PRICE CERTIFICATE**

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

The undersigned, as the underwriter or the manager of the syndicate of Underwriters ("Purchaser"), with respect to the purchase at competitive sale of the Combination Tax and Revenue Certificates of Obligation, Series 2025A, issued by the City of Brownsville, Texas ("Issuer") in the principal amount of \$\_\_\_\_\_ ("Certificates"), 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 Certificates by the Purchaser, the Purchaser's reasonably expected initial offering prices of each maturity of the Certificates 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 Certificates, as attached to this Certificate as Schedule A. The Expected Offering Prices are the prices for the Certificates used by the Purchaser in formulating its bid to purchase the Certificates.

(b) The Purchaser had an equal opportunity to bid to purchase the Certificates 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 Certificates.

(d) The Purchaser has ☐/has not ☐ purchased bond insurance for the Certificates. The bond insurance has been purchased from \_\_\_\_\_ (the "Insurer") for a fee of \$\_\_\_\_\_ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm's-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Certificates. 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 Certificates, 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 Certificates in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term "Underwriter" means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates 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 Certificates to the Public) to participate in the initial sale of the Certificates 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]*

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Certificates, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Certificates. 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)*

**CITY OF BROWNSVILLE, TEXAS**  
**COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATIONS, SERIES 2025A**

**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 Combination Tax and Revenue Certificates of Obligation, Series 2025A issued by the City of Brownsville, Texas ("Issuer") in the principal amount of \$\_\_\_\_\_ ("Certificates"), hereby certifies and represents, based on its records and information, as follows:

(a) Other than the Certificates maturing in \_\_\_\_\_ ("Hold-the-Price Maturities"), if any, the first prices at which at least ten percent ("Substantial Amount") of the principal amount of each maturity of the Certificates having the same credit and payment terms ("Maturity") was sold on the Sale Date to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter ("Public") are their respective initial offering prices (the "Initial Offering Prices"), as listed in the pricing wire or equivalent communication for the Certificates that is attached to this Certificate as Schedule A.

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

(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 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 a Substantial Amount of a Maturity of the Certificates to the Public at no higher price than the Initial Offering Price for such Maturity.

(d) The Purchaser has [ ]/has not [ ] purchased bond insurance for the Certificates. The bond insurance has been purchased from \_\_\_\_\_ (the "Insurer") for a fee of \$\_\_\_\_\_ (net any nonguarantee cost, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arm's-length charge for the transfer of credit risk and it has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Certificates. 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 Certificates, 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 Certificates in an amount which would exceed the portion of such fee that has not been earned.

For purposes of this Issue Price Certificate, the term "Underwriter" means (1) (i) a person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates 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 Certificates to the Public) to participate in the initial sale of the Certificates 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]*



The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Certificates, and by McCall, Parkhurst & Horton L.L.P. in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Certificates. 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 PURCHASER'S BID**  
*(Attached)*