

**OFFICIAL NOTICE OF SALE  
AND  
BIDDING INSTRUCTIONS**

on

**\$20,000,000\***

**MERKEL INDEPENDENT SCHOOL DISTRICT  
(Taylor and Jones Counties, Texas)**

**UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2026**

**Electronic Bids Due: Wednesday, February 18, 2026 at 10:00 A.M., C.S.T**

**THE SALE**

**BONDS OFFERED FOR SALE AT COMPETITIVE BID:** The Board of Trustees (the "Board") of the Merkel Independent School District (the "District" or the "Issuer") is offering for sale at competitive bid its \$20,000,000\* Unlimited Tax School Building Bonds, Series 2026 (the "Bonds"). Bidders may only submit bids for the Bonds electronically as described below.

**BIDS BY INTERNET:** Interested bidders may, at their option and risk, submit their bid by electronic media, as described below, by 10:00 AM, Central Time, on Wednesday, February 18, 2026 (the "Sale Date"). Any bid received after the scheduled time for their receipt will not be accepted. Bidders submitting a bid electronically **shall not** be required to submit signed Official Bid Forms prior to the award. Any prospective bidder that intends to submit an electronic bid must submit its electronic bid via the facilities of the i-Deal, LLC Parity System ("PARITY") and should, as a courtesy, register with PARITY prior to 10:00 AM Central Time, on Tuesday, February 17, 2026, indicating their intent to submit a bid electronically.

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

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

**NO BIDS BY FACSIMILE:** BIDS BY FACSIMILE WILL NOT BE ACCEPTED.

**NO BIDS BY TELEPHONE:** BIDS BY TELEPHONE WILL NOT BE ACCEPTED.

**PLACE AND TIME OF BID OPENING:** The bids for the Bonds will be opened at the District's offices at 10:00 AM Central Time, on Wednesday, February 18, 2026.

**AWARD OF THE BONDS:** On February 18, 2026, the Board will adopt an order authorizing the sale of the Bonds and approving other related matters (the "Order"). The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost rate on the Bonds (see "CONDITIONS OF THE SALE – Basis for Award"). The District reserves the right to reject any and all bids and to waive any regularities except time of submission. It is expected that the Bonds will be awarded to the winning bidder at approximately 7:00 p.m. (Central Standard Time) on the Sale Date.

**THE BONDS**

**DESCRIPTION:** The Bonds will be dated March 15, 2026 (the "Dated Date"). Interest on the Bonds will accrue from the date of delivery thereof (the "Date of Delivery") to the winning bidder (the "Initial Purchaser") (expected to occur on March 19, 2026) and will be payable on each February 15 and August 15, commencing February 15, 2027, until stated maturity or prior redemption. The Bonds will be issued as fully registered obligations in book-entry form only and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository (the "Securities Depository"). Book-Entry interests in the Bonds will be made available for purchase in the principal amount of \$5,000 or any integral multiple thereof. Initial Purchasers of the Bonds ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, the principal of and interest on the Bonds will be payable by BOKF, NA, Dallas, Texas, the initial paying agent/registrant (the "Paying

Agent/Registrar”), to the Securities Depository, which will in turn remit such principal and interest to its participants, which will in turn remit such principal and interest to the Beneficial Owners of the Bonds. See “THE BONDS – Book-Entry-Only System” in the Preliminary Official Statement.

**MATURITY SCHEDULE\*:** The Bonds will be stated to mature on each of the following dates in the following amounts:

<b><u>Maturity (August 15)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Maturity (August 15)</u></b>	<b><u>Principal Amount</u></b>
2027	\$250,000	2037	\$1,040,000
2028	640,000	2038	1,080,000
2029	675,000	2039	1,125,000
2030	715,000	2040	1,170,000
2031	760,000	2041	1,215,000
2032	805,000	2042	1,265,000
2033	855,000	2043	1,315,000
2034	895,000	2044	1,365,000
2035	940,000	2045	1,420,000
2036	990,000	2046	1,480,000

\*Preliminary, subject to change. See “POST BID MODIFICATION OF PRINCIPAL AMOUNTS.”

**POST BID MODIFICATION OF PRINCIPAL AMOUNTS:** After selecting the winning bid, the aggregate principal amount of the Bonds and the principal amortization schedule may be adjusted as determined by the District and its Financial Advisor (defined herein) in \$5,000 increments to reflect the actual interest rates. Such adjustments will not change the aggregate principal amount of the Bonds by more than 15% from the amount set forth herein. The dollar amount bid for the Bonds by the winning bidder will be adjusted proportionately to reflect any increase or decrease in the aggregate principal amount of the Bonds finally determined to be issued. The District will use its best efforts to communicate to the winning bidder any such adjustment within three (3) hours after the opening of bids. Initial Purchaser’s compensation will be based upon the final par amount after any adjustment thereto, subsequent to the receipt and tabulation of the winning bid, within the aforementioned parameters.

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

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

**USE OF PROCEEDS:** Proceeds from the sale of the Bonds will be used for (i) the design, construction, rehabilitation, renovation, expansion, improvement, acquisition, and equipment of school facilities and the necessary sites for school facilities, with priority given to construction of a new middle school, and (ii) paying for the costs of issuance of the Bonds.

**OPTIONAL REDEMPTION PROVISIONS:** The Bonds maturing on or after August 15, 2036\*, are subject to redemption prior to scheduled maturity at the option of the District, in whole or from time to time in part, on August 15, 2035\*, or any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the redemption date, as further described herein. Additionally, the Bonds may be subject to mandatory sinking fund redemption in the event two or more consecutive maturities are structured as Term Bonds. See “THE BONDS – Redemption Provisions of the Bonds” in the Preliminary Official Statement.

**AUTHORITY FOR ISSUANCE AND SECURITY FOR PAYMENT:** The Bonds are being issued by the District pursuant to the Constitution and general laws of the State of Texas, including Sections 45.001 and 45.003(b)(1), Texas Education Code, as amended, an election held on November 4, 2025 (the “Election”), and the Order. The Bonds are direct obligations of the District and are payable as to both principal and interest from a continuing, direct, annual ad valorem taxes to be levied annually on all taxable property within the District, without legal limitation as to rate or amount. Additionally, the payment of the Bonds has been guaranteed by the corpus of the Permanent School Fund of the State of Texas. See “THE BONDS – Security for Payment” in the Preliminary Official Statement.

**PAYING AGENT/REGISTRAR:** The initial Paying Agent/Registrar is BOKF, NA, Dallas, Texas. In the Bond Order, the District covenants to provide a paying agent/registrar at all times while the Bonds are outstanding, and any paying agent/registrar selected

by the District shall be a legally qualified bank, trust company, financial institution or other agency. The Paying Agent/Registrar will maintain the security register containing the names and addresses of the registered owners of the Bonds.

In the Bond Order the District retains the right to replace the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, such Paying Agent/Registrar, promptly upon the appointment of a successor, is required to deliver the security register to the successor Paying Agent/Registrar.

In the event there is a change in the Paying Agent/Registrar, the new Paying Agent/Registrar shall notify each registered owner of the Bonds by United States mail, first-class postage prepaid, at the address in the security register, stating such change and the mailing address of the successor Paying Agent/Registrar.

**BOOK-ENTRY-ONLY SYSTEM:** The District intends to utilize the Book-Entry-Only System of DTC with respect to the issuance of the Bonds. See "THE BONDS – Book-Entry-Only System" in the Preliminary Official Statement.

### CONDITIONS OF THE SALE

**TYPES OF BIDS AND INTEREST RATES:** The Bonds will be sold in one block, on an "All or None" basis, and at a price of not less than 104% of their par value and not greater than 110% of par. All bids are subject to adjustment as described under the caption "THE BONDS – Post Bid Modification of Principal Amounts." Bidders are invited to name the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1% and the net effective interest rate for the Bonds (calculated in the manner required by Chapter 1204, as amended, Texas Government Code) must not exceed 15%. The highest rate bid may not exceed the lowest rate bid by more than 200 basis points (or 2.00% in rate). For Bonds having stated maturities on and after August 15, 2035, no reoffering yield producing a dollar price less than 96.50 for any individual maturity will be accepted. **No limitation is imposed upon bidders as to the number of rates or changes which may be used.** All Bonds of one stated maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered.

**BASIS OF AWARD:** The sale of the Bonds will be awarded to the bidder making a bid that conforms to the specifications herein and which produces the **lowest True Interest Cost (defined herein) rate on the Bonds to the District.** The "True Interest Cost" rate is that rate which, when used to compute the total present value as of the **Date of Delivery** of all debt service payments on the Bonds on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Bonds plus the premium bid. In the event of a bidder's error in interest cost rate calculations, the interest rates, and premium set forth in the Official Bid Form will be considered as the intended bid. In order to provide the District with information required to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended (the "Code") relating to the exclusion of interest on the Bonds from the gross income of their owners, the Initial Purchaser will be required to complete, execute, and deliver to the District (on or before the Date of Delivery of the Bonds) a certification as to their "issue price" (the "Issue Price Certificate") in the form and to the effect attached hereto or accompanying this Notice of Sale and Bidding Instructions. See "ESTABLISHING THE ISSUE PRICE FOR THE BONDS" herein.

Upon the opening of the bids as described above, the District shall award the Bonds by executing the Official Bid Form. The award will be given to the entity submitting the best bid for the Bonds. Bidders that work with syndicates of dealers may disclose to the District members of its syndicate, but for all purposes of contracting for the sale of the Bonds, the entity signing the Official Bid Form shall be solely responsible for the payment of the purchase price of the Bonds, and any information provided with respect to syndicate members shall be provided solely for informational purposes. The District is not a party to any such syndicate member agreement and any information provided related thereto would be for informational purposes only. The District reserves the right to reject any and all bids and to waive any irregularities except time of submission.

### ESTABLISHING THE ISSUE PRICE FOR THE BONDS

**ESTABLISHMENT OF ISSUE PRICE:** 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), allowing the District to treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Bonds, the District will treat (i) the first price at which 10 percent of a maturity of the Bonds is sold to the public as the issue price of that maturity (the "10 percent rule") or (b) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the "hold the price rule"). If the 10 percent rule has not been satisfied as to any maturity of the Bonds, the winning bidder agrees to promptly report to the Financial Advisor the prices at which it sells Bonds of that maturity to the public. This reporting obligation shall continue, whether or not the Bonds have been delivered, until the 10 percent rule has been satisfied. The attached Issue Price Certificate has language for (I) when the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) are met and (II) when such requirements are not met.

**GOOD FAITH DEPOSIT:** A bank cashier's check, payable to the order of "Merkel Independent School District" in the amount of \$400,000 which is 2% of the proposed par value of the Bonds (the "Good Faith Deposit"), is required to accompany any bid. The Good Faith Deposit of the Initial Purchaser will be retained uncashed by the District pending the Initial Purchaser's compliance with the terms of its bid and this Notice of Sale and Bidding Instructions. In the event the Initial Purchaser should fail or refuse to take

up and pay for the Bonds in accordance with its bid, then said check shall be cashed and accepted by the District as full and complete liquidated damages; however, if it is determined after the acceptance of the bid by the District that the Initial Purchaser was found not to satisfy the requirements described under "ADDITIONAL CONDITIONS OF AWARD – Statutory Representations and Covenants" and "– Compliance Verification" and as a result the Texas Attorney General will not deliver its approving opinion of the Bonds, then said check shall be cashed and accepted by the District but shall not be the sole or exclusive remedy available to the District. The Good Faith Deposit may accompany the Official Bid Form or it may be submitted separately; however, 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 which authorizes its use as a Good Faith Deposit by the Initial Purchaser who shall be named in such instructions. **The Good Faith Deposit of the Initial Purchaser will be returned to the Initial Purchaser on the Date of Delivery.** No interest will be allowed on the Good Faith Deposit. Checks accompanying bids other than the winning bid will be returned promptly after the bids are opened, and an award of the Bonds has been made by the District.

#### **ADDITIONAL CONDITIONS OF AWARD**

**OBLIGATION OF THE DISTRICT TO RECEIVE DISCLOSURE OF INTERESTED PARTY FORM:** Pursuant to Texas Government Code Section 2252.908 (the "Interested Party Disclosure Act"), unless the bidder represents and verifies on the Official Bid Form that bidder is a publicly traded business entity, or a wholly owned subsidiary of a publicly traded business entity, the District may not award the Bonds to the winning bidder unless the bidder has submitted a Certificate of Interested Parties Form 1295 (the "Disclosure Form") to the District prior to such award, as prescribed by the Texas Ethics Commission ("TEC"). In the event that the bidder's bid for the Bonds is the best bid received, the District, acting through its financial advisor, will promptly notify the bidder. That notification will serve as the conditional verbal acceptance of the bid, and will obligate a non-exempt bidder to promptly file a completed Disclosure Form in order to complete the award.

Reference should be made to the Disclosure Form, the rules of the Texas Ethics Commission with respect to the Disclosure Form (the "Disclosure Rules") and the Interested Party Disclosure Act. Instructional information regarding such matters are set forth at [https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm). For purposes of completing the Disclosure Form the Purchaser will need the following information: (a) item 2 - name of governmental entity: Merkel Independent School District, and (b) item 3 - the identification number assigned to this contract by the District: "2026 SBB" and the description of the services to be provided under the contract: "Purchase of Bonds." The Interested Party Disclosure Act and the Disclosure Rules require a non-exempt business entity contracting with the District to complete the form at the TEC Internet "portal" that may be accessed at the url set forth above, and then print, sign and deliver the Disclosure Form electronically to the District ([kwest@merkelisd.net](mailto:kwest@merkelisd.net)), the District's Co-Bond Counsel ([jhall@chmlp.com](mailto:jhall@chmlp.com)) and the District's Financial Advisor ([jblackburn@liveoakpf.com](mailto:jblackburn@liveoakpf.com)). Following the award of the Bonds, the District will acknowledge receipt of any completed Disclosure Form through the TEC website, as required by the law.

No exceptions may be made to that requirement. Time will be of the essence in submitting the form to the District, and, unless a bidder is exempt from the requirement, no award will be made by the District of the Bonds until a completed Disclosure Form is received. The District reserves the right to reject any bid that is not accompanied by a completed Disclosure Form, as required and described herein. Neither the District nor its consultants have the ability to verify the information included in a Disclosure Form, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the Disclosure Form. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the conditional winning bid.

**VERIFICATIONS OF STATUTORY REPRESENTATIONS AND COVENANTS:** The District will not award the Bonds to a bidder unless the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the "Covered Verifications"), are included in the bid. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of the agreement to purchase the Bonds shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of the Official Bid Form or this Notice of Sale, notwithstanding anything in the Official Bid Form or this Notice of Sale to the contrary.

- (i) No Boycott of Israel (Chapter 2271, Texas Government Code, as amended): A bidder must verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of the agreement to purchase the Bonds. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Texas Government Code, as amended.
- (ii) Not a Sanctioned Company (Chapter 2252, Texas Government Code, as amended): A bidder must represent that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended. The foregoing representation excludes a bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

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

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

The District will not accept a bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Bonds. If requested by the District, the Purchaser agrees to provide such further representations, certifications or assurances in connection with the Covered Verifications, as of the Sale Date or such other date requested by the District including, but not limited to, a bring down certification as provided by the All Bond Counsel Letter.

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

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

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

To the extent the Purchaser and each syndicate member listed on the Official Bid Form is unable to provide a Standing Letter in a form satisfactory to the Texas Office of the Attorney General, the District reserves the right to cash and accept the Good Faith Deposit (see "ESTABLISHING THE ISSUE PRICE FOR THE BONDS - Good Faith Deposit"). THE LIABILITY OF THE BIDDER FOR BREACH OF ANY OF THE VERIFICATIONS MADE IN CONNECTION WITH COVERED VERIFICATIONS SHALL SURVIVE UNTIL BARRED BY THE STATUTE OF LIMITATIONS, AND SHALL NOT BE LIQUIDATED OR OTHERWISE LIMITED BY ANY PROVISION OF THIS NOTICE OF SALE OR THE OFFICIAL BID FORM. ADDITIONALLY, THE DISTRICT RESERVES AND RETAINS ALL RIGHTS AND REMEDIES AT LAW AND IN EQUITY FOR PURSUIT AND RECOVERY OF DAMAGES, IF ANY, RELATING TO THE COVERED VERIFICATIONS.

#### OFFICIAL STATEMENT

To assist the Initial Purchaser in complying with Rule 15c2-12, as amended (the "Rule"), of the United Securities and Exchange Commission ("SEC"), the Issuer and the Initial Purchaser contract and agree, by the submission and acceptance of the winning bid, as follows:

**COMPLIANCE WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION:** The Issuer 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 Issuer deems the accompanying Preliminary Official Statement to be final as of its date, within the meaning of the Rule, except for information relating to the offering prices, interest rates, final debt service schedule, selling compensation, identity of the Initial Purchaser and other similar information, terms and provisions to be specified in the competitive bidding process. The Initial Purchaser shall be responsible for promptly informing the Issuer of the initial offering yields of the Bonds.

Thereafter, the Issuer will complete and authorize distribution of the final Official Statement, being a modification of the Preliminary Official Statement, identifying the Initial Purchaser and containing such omitted information. The Issuer 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 Initial Purchaser on or after the sale date, the Issuer intends the same to be final as of such date, within the meaning of the Rule. Notwithstanding the foregoing, the Issuer makes no representation concerning the absence of material misstatements or omissions from the Official Statement, except only as and to the extent under "CERTIFICATION OF THE OFFICIAL STATEMENT" as described below.

**FINAL OFFICIAL STATEMENT:** The Issuer will furnish to the Initial Purchaser, within seven (7) business days after the sale date, an aggregate maximum of one hundred (100) copies of the Official Statement, together with information regarding interest rates, and other terms relating to the reoffering of the Bonds. In addition, the District agrees to provide, or cause to be provided, to the Initial Purchaser, the Preliminary Official Statement and the Official Statement and any amendments or supplements thereto in a "designated electronic format" (or printed format with respect to the final Official Statement) as may be required for the Initial Purchaser to comply with the Rule or the rules of the Municipal Securities Rulemaking Board ("MSRB"). The District consents to the distribution of such documents in a "designated electronic format." Upon receipt, the Initial Purchaser shall promptly file the Official Statement with the MSRB in accordance with MSRB Rule G-32. The Initial Purchaser may arrange at its own expense to have the Official Statement reproduced and printed if it requires more copies and may also arrange, at its own expense and responsibility, for completion and perfection of the cover page and page 2 of the Official Statement so as to reflect interest rates and other terms and information related to the reoffering of the Bonds. The Initial Purchaser will be responsible for providing information concerning the Issuer and the Bonds to subsequent purchasers of the Bonds, and the Issuer will undertake no responsibility for providing such information other than to make the Official Statement available to the Initial Purchaser as provided herein. The Issuer's obligation to supplement the Official Statement to correct key representations determined to be omitted or materially misleading, after the date of the Official Statement, shall terminate upon the End of the Underwriting Period as defined in the Rule.

**CHANGES TO OFFICIAL STATEMENT:** If, subsequent to the date of the Official Statement, the Issuer learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial Purchaser of any adverse event which causes the Official Statement to be incomplete or materially misleading, and unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds, as described below under "DELIVERY AND ACCOMPANYING DOCUMENTS – Conditions to Delivery," the Issuer will promptly prepare and supply to the Initial Purchaser an appropriate amendment or supplement to the Official Statement, in a "designated electronic format" satisfactory to the Initial Purchaser.

**CERTIFICATION OF THE OFFICIAL STATEMENT:** At the time of payment for and delivery of the Bonds, the Initial Purchaser will be furnished a certificate, executed by proper officials of the Issuer, acting in their official capacities, to the effect that to the best of their knowledge and belief: (a) the descriptions and statements of or pertaining to the Issuer contained in its Official Statement, and any addenda, supplement or amendment thereto, on the date of such Official Statement, on the date of sale of said Bonds and the acceptance of the best bid therefor, and on the Date of Delivery, were and are true and correct in all material respects; (b) insofar as the Issuer and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements including financial data, of or pertaining to entities, other than the Issuer, and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the Issuer believes to be reliable and the Issuer has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the Issuer, since August 31, 2023, the date of the last financial statements of the Issuer appearing in the Official Statement. The Official Statement and this Notice of Sale and Bidding Instructions will be approved as to form and content and the use thereof in the offering of the Bonds will be authorized, ratified and approved by the Board in the Bond Order, and the Initial Purchaser will be furnished, upon request, at the time of payment for and the delivery of the Bonds, a certified copy of such approval, duly executed by the proper officials of the Issuer.

**CONTINUING DISCLOSURE AGREEMENT:** The District has agreed in the Bond Order to provide certain periodic information and notices of certain events in accordance with the Rule, as described in the Official Statement under "CONTINUING DISCLOSURE." The Purchaser's obligation to accept and pay for the Bonds is conditioned upon delivery to the Initial Purchaser or its agent of a certified copy of the Bond Order containing the agreement described under such heading.

**COMPLIANCE WITH PRIOR UNDERTAKINGS:** For the last five years, the District has not had any debt obligations subject to a continuing disclosure undertaking and, therefore, has not been required to file its continuing disclosure agreements made by it in accordance with the Rule.

## **DELIVERY AND ACCOMPANYING DOCUMENTS**

**INITIAL DELIVERY OF INITIAL BOND:** Initial Delivery will be accomplished by the issuance of one or more fully registered Bonds in the aggregate principal amount of the Bonds payable to the Initial Purchaser, signed by the duly appointed officers of the Board, by their manual electronic, or facsimile signatures, approved by the Texas Attorney General, and registered and manually signed by the Texas Comptroller of Public Accounts. Delivery will be at the designated office of the Paying Agent/Registrar. Upon delivery of the initial Bond, they shall be immediately canceled and one definitive Bond for each maturity of the Bonds payable to Cede &

Co. will be delivered to DTC in connection with DTC's Book-Entry-Only System. Payment for the Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District.

The Initial Purchaser will be given six business days' notice of the time fixed for delivery of the Bonds. It is anticipated that the delivery of the Initial Bond can be made on or about Wednesday, March 19, 2026, but if for any reason the District is unable to make delivery by March 19, 2026, then the District shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its obligation to take up and pay for the Bonds an additional thirty days. If the Initial Purchaser does not elect to extend its offer within six days thereafter, then its Good Faith Deposit will be returned, and both the District and the Initial Purchaser shall be relieved of any further obligation. In no event shall the District be liable for any damages by reason of its failure to deliver the Bonds, provided that such failure is due to circumstances beyond the District's reasonable control.

**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 Initial Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of the Official Bid Form and this Notice of Sale and Bidding Instructions. The Financial Advisor will obtain CUSIP identification numbers from CUSIP Global Services prior to the date of sale. CUSIP identification numbers will be made available to the Initial Purchaser at the time the Bonds are awarded as soon thereafter as practicable. All expenses in relation to the assignment, printing or typing of CUSIP numbers on the Bonds shall be paid by the District.

**CONDITIONS TO DELIVERY:** The obligation to take up and pay for the Bonds is subject to the following conditions: the issuance of an approving opinion of the Attorney General of the State of Texas, the Initial Purchaser's receipt of the legal opinion of Co-Bond Counsel and the certificate regarding the Official Statement, and the non-occurrence of the events described below under the caption "NO MATERIAL ADVERSE CHANGE" herein. In addition, if the Issuer fails to comply with its obligations described under "OFFICIAL STATEMENT" above, the Initial Purchaser may terminate its contract to purchase the Bonds by delivering written notice to the Issuer within five (5) days thereafter.

**NO MATERIAL ADVERSE CHANGE:** The obligations of the Initial Purchaser to take up and pay for the Bonds, and of the Issuer to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the affairs of the Issuer subsequent to the date of sale from that set forth in the Official Statement, as it may have been finalized, supplemented or amended through the Date of Delivery.

**LEGAL OPINIONS:** The District will furnish the Initial Purchaser a complete transcript of proceedings incident to the authorization and issuance of the Bonds, including the unqualified approving legal opinion of the Attorney General of the State of Texas as to the Bonds, to the effect that the Bonds are valid and legally binding obligations of the District, and based upon examination of such transcript of proceedings, the legal opinion of Co-Bond Counsel, regarding the legality and validity of the Bonds issued in compliance with the provisions of the Bond Order. Additionally, the legal opinion of Cantu Harden Montoya LLP opine to like effect and to the effect that the interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code. See "OTHER INFORMATION – Legal Matters" in the Preliminary Official Statement and "APPENDIX C – FORMS OF CO-BOND COUNSEL'S OPINION AND TAX COUNSEL'S OPINION" attached to the Preliminary Official Statement.

**CHANGE IN TAX-EXEMPT STATUS:** At any time before the Bonds are tendered for initial delivery to the Initial Purchaser, the Initial Purchaser may withdraw its bid if the interest on obligations such as the Bonds shall be declared to be includable in the gross income, as defined in section 61 of the Code, of the owners thereof for federal income tax purposes, either by Treasury regulations, by ruling or administrative guidance of the Internal Revenue Service, by a decision of any federal court, or by the terms of any federal income tax legislation enacted subsequent to the date of this Notice of Sale and Bidding Instructions.

## GENERAL CONSIDERATIONS

**FINANCIAL ADVISOR:** Live Oak Public Finance LLC is employed as Financial Advisor to the District in connection with the issuance of the Bonds. In its role as Financial Advisor, Live Oak Public Finance LLC has relied on the District for certain information concerning the District and the Bonds. The fee of the Financial Advisor for services with respect to the Bonds is contingent upon the issuance and sale of the Bonds.

**BLUE SKY LAWS:** The District has made no investigation regarding the eligibility to purchase or participate in the underwriting of the Bonds under any applicable securities, legal investment, insurance, banking or other laws which might govern the ability of such institution to underwrite or invest in the Bonds.

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

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

**RATING:** The Bonds have been rated “AAA” by “S&P Global Ratings, a division of S&P Global Inc. (“S&P”), based on a guarantee of the Permanent School Fund of Texas which guarantee will automatically become effective when the Attorney General of Texas approves the Bonds. The Bonds have been rated “A+” by S&P with a stable outlook, without regard to credit enhancement. See “OTHER INFORMATION – Ratings” and “APPENDIX D – THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM” in the Official Statement. There is no assurance that such ratings will continue for any given period of time on its unlimited tax indebtedness or that it will not be revised downward or withdrawn entirely by such rating companies, if in the judgment of said rating companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the Bonds. A securities rating is not a recommendation to buy, sell, or hold securities.

**REGISTRATION AND QUALIFICATION OF BONDS FOR SALE:** No registration statement relating to the Bonds has been filed with the SEC under the Securities Act of 1933, as amended, in reliance upon exemptions provided in such Act. The Bonds have not been approved or disapproved by the SEC, nor has the SEC passed upon the accuracy or adequacy of the Official Statement. Any representation to the contrary is a criminal offense. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon exemptions contained therein, nor have the Bonds been registered or qualified under the securities acts of any other jurisdiction. The Issuer 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.

It is the obligation of the Initial Purchaser to register or qualify the sale of the Bonds under the securities laws of any jurisdiction which so requires. The Issuer agrees to cooperate, at the Initial Purchaser’s written request and expense and within reasonable limits, in registering or qualifying the Bonds, or in obtaining an exemption from registration or qualification in any state where such action is necessary, but the District will in no instance execute a general consent to service of process in any state in which the Bonds are offered for sale.

**ADDITIONAL COPIES:** Subject to the limitations described herein, additional copies of this Notice of Sale and Bidding Instructions, the Official Bid Form, and the Official Statement may be obtained from Live Oak Public Finance LLC, 1515 S. Capital of Texas Hwy, Suite 206, Austin, Texas 78746. In the Bond Order, the Board will approve the form and content of the Official Statement, and any addenda, supplement or amendment thereto, and the Board will authorize its further use in the reoffering of the Bonds by the Initial Purchaser.

**MERKEL INDEPENDENT SCHOOL DISTRICT**

/s/

\_\_\_\_\_  
President, Board of Trustees

ATTEST:

/s/

\_\_\_\_\_  
Secretary, Board of Trustees

Dated: February 6, 2026



# OFFICIAL BID FORM

Merkel Independent School District, Texas  
314 Manchester,  
Merkel, TX 79536

Wednesday, February 18, 2026

Ladies and Gentlemen:

Subject to the terms of your Official Notice of Sale and Bidding Instructions and Preliminary Official Statement, dated February 6, 2026, which are incorporated herein by reference, we hereby submit the following bid for \$20,000,000\* MERKEL INDEPENDENT SCHOOL DISTRICT, UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2026 dated March 15, 2026. We have read in detail the Official Notice of Sale and Bidding Instructions and Preliminary Official Statement. We realize that the Bonds involve certain investment risks, and we have made such inspections and investigations we deem necessary relating to the District and to the investment quality of the Bonds. This offer is being made for all said Bonds and for not less than all.

For your legally issued Bonds, as described in said Official Notice of Sale and Bidding Instructions and Preliminary Official Statement, we will pay you par plus a cash premium of \$\_\_\_\_\_ for Bonds maturing and bearing interest per annum as follows:

<u>Maturity Date</u> <u>(8/15)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity Date</u> <u>(8/15)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>
2027	\$250,000	_____ %	2037	\$1,040,000	_____ %
2028	640,000	_____ %	2038	1,080,000	_____ %
2029	675,000	_____ %	2039	1,125,000	_____ %
2030	715,000	_____ %	2040	1,170,000	_____ %
2031	760,000	_____ %	2041	1,215,000	_____ %
2032	805,000	_____ %	2042	1,265,000	_____ %
2033	855,000	_____ %	2043	1,315,000	_____ %
2034	895,000	_____ %	2044	1,365,000	_____ %
2035	940,000	_____ %	2045	1,420,000	_____ %
2036	990,000	_____ %	2046	1,480,000	_____ %

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

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

(Interest to accrue from the Delivery Date)

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

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

TRUE INTEREST COST ..... %

\* See "CONDITIONS OF THE SALE – Post Bid Modification of Principal Amounts." Preliminary, subject to change.

By accepting this bid, the bidder understands the District will provide the copies of the Official Statement, as well as any amendments or supplements thereto (in a designated electronic format), all in accordance with the Notice of Sale.

The Initial Bond shall be registered in the name of \_\_\_\_\_ (Syndicate Manager), which will, upon payment for the Bonds, be canceled by the Paying Agent/Registrar. The Bonds will then be registered in the name of Cede & Co. (DTC's partnership nominee), under the Book-Entry-Only System. We will advise the Paying Agent/Registrar of registration instructions at least

five business days prior to the date set for Initial Delivery.

A bank cashier's check or certified check of the \_\_\_\_\_ Bank, \_\_\_\_\_, Texas, in the amount of \$400,000 which represents our Good Faith Deposit (is attached hereto) or (has been made available to the District prior to the opening of this Bid), and is submitted in accordance with the terms as set forth in the "Notice of Sale and Bidding Instructions" and "Preliminary Official Statement." If we fail or refuse to make payment for and accept delivery of the Bonds in accordance with our bid, this check will be cashed and accepted by the District as full and complete liquidated damages and we shall have no further claim to such monies. The Good Faith Deposit of the bidder will be returned on the date of delivery of the Bonds.

We agree to accept delivery of the Bonds through the Paying Agent/Registrar utilizing the Book-Entry-Only System through DTC, and make payment for the Initial Bonds in immediately available funds at the Corporate Trust Office of \_\_\_\_\_, not later than 10:00 A.M., C.S.T., on March 19, 2026, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions. It will be the obligation of the Initial Purchaser of the Bonds to complete the DTC Eligibility Questionnaire.\*-

The undersigned agrees to complete, execute, and deliver to the District, at least six (6) business days prior to delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form and to the effect accompanying the Notice of Sale and Bidding Instructions, with such changes thereto as may be acceptable to or required by the District. The undersigned also agrees to provide the District and its consultants, at least ten (10) business days prior to the delivery of the Bonds, 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).

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

Unless the bidder certifies that it is exempt from filing a Disclosure Form with the District, 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 District at [kwest@merkelisd.net](mailto:kwest@merkelisd.net) and to the District's financial advisor at [jblackburn@liveoakpf.com](mailto:jblackburn@liveoakpf.com). The undersigned understands that the failure to provide the certified Disclosure Form will prohibit the District from providing final written award of the enclosed bid.

The bidder (*mark one*): (i) Agrees to timely make a filing of a completed Disclosure Form with the District [ ] 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 District, this bid shall thereupon become a contract of purchase for the Bonds under the terms contained in this Official Bid Form and in the Notice of Sale and Bidding Instructions. We hereby acknowledge that we have received and read the Notice of Sale and Bidding Instructions and Preliminary Official Statement referred to above.

As used in the following verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the bidder within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this agreement shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of the bid or Notice of Sale, notwithstanding anything in the bid or Notice of Sale to the contrary.

- (i) No Boycott of Israel Verification (Chapter 2271, Texas Government Code, as amended). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Texas Government Code, as amended.
- (ii) Not a Sanctioned Company (Chapter 2252, Texas Government Code, as amended). The Purchaser represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended. The foregoing representation excludes a bidder and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
- (iii) No Boycott of Energy Companies (Chapter 2276, Texas Government Code, as amended). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Texas Government Code, as amended.
- (iv) No Discrimination Against Firearm Entities or Firearm Trade Associations (Texas Government Code Chapter 2274). The Purchaser hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this 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), Texas Government Code, as amended.

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

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

**FURTHER STATE LAW COMPLIANCE AND STANDING LETTER REQUIREMENT:** By submitting this bid, the Purchaser understands and agrees that it must have a standing letter on file with the Texas Attorney General's Office in the form included to the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and any subsequent letters addressing similar matters (collectively, the "All Bond Counsel Letter"). In submitting this bid, the Purchaser represents to the District that it has filed a standing letter in the form included in the All Bond Counsel Letter without qualification and including current statutory citations and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Texas Attorney General's Office. The Purchaser hereby further agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter. THE LIABILITY OF THE PURCHASER FOR BREACH OF ANY OF THE VERIFICATIONS MADE IN CONNECTION WITH THE COVERED VERIFICATIONS SHALL SURVIVE UNTIL BARRED BY THE STATUTE OF LIMITATIONS, AND SHALL NOT BE LIQUIDATED OR OTHERWISE LIMITED BY ANY PROVISION OF THIS OFFICIAL BID FORM. ADDITIONALLY, THE DISTRICT RESERVES AND RETAINS ALL RIGHTS AND REMEDIES AT LAW AND IN EQUITY FOR PURSUIT AND RECOVERY OF DAMAGES, IF ANY, RELATING TO THE COVERED VERIFICATIONS.

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

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

Respectfully submitted,

Name:	Firm Name:
<hr/>	<hr/>
Title:	Address:
<hr/>	<hr/>
Signature:	City
<hr/>	<hr/>
Email:	State, Zip
<hr/>	<hr/>
By: Authorized Representative	Phone:
<hr/>	<hr/>

**ACCEPTANCE CLAUSE**

ACCEPTED...The above and foregoing bid is hereby in all things accepted by the Merkel Independent School District, Texas subject to an in accordance with the Notice of Sale and Bidding Instructions, this \_\_\_ day of February, 2026.

/s/

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President, Board of Trustees  
Merkel Independent School District

**MERKEL INDEPENDENT SCHOOL DISTRICT**  
**(Taylor and Jones Counties, Texas)**  
**UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2026**

**ISSUE PRICE CERTIFICATE**

The undersigned, being a duly authorized representative of the underwriter or the manager of the syndicate of underwriters ("Initial Purchaser") which has purchased the Unlimited Tax School Building Bonds, Series 2026, being issued by the Shallowater Independent School District (the "District"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds") of Merkel Independent School District (the "Issuer").

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Defined Terms.

(a) General Rule Maturities means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) 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 "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is February 18, 2026.

(e) Underwriter means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail or other third-party distribution agreement participating in the initial sale of the Bonds to the Public).

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

\_\_\_\_\_  
[Name of Purchaser]

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

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

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

Date: \_\_\_\_\_

**SCHEDULE A**

**SALE PRICES OF THE GENERAL RULE MATURITIES AND**

**INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

**General Rule Maturities**

**Hold-The-Offering-Price Maturities**

**SCHEDULE B**

**PRICING WIRE OR EQUIVALENT COMMUNICATION**