OFFICIAL NOTICE OF SALE

$67,465,000*
CITY OF AUSTIN, TEXAS
(Travis, Williamson and Hays Counties)
PUBLIC IMPROVEMENT BONDS, TAXABLE SERIES 2026

Electronic Bids Due: Tuesday, September 22, 2026
Between 10:00 AM CDT and 10:30 AM CDT,

THE SALE

TAXABLE BONDS OFFERED FOR SALE AT COMPETITIVE BIDDING: The City of Austin, Texas (the "City" or the "Issuer") is offering for sale its $67,465,000* Public Improvement Bonds, Taxable Series 2026 (the "Taxable Bonds"), pursuant to the Preliminary Official Statement, dated September 15, 2026 (the "Preliminary Official Statement").

The City also anticipates the sale of its $291,210,000* Public Improvement and Refunding Bonds, Series 2026 (the "Bonds"), $134,140,000* Certificates of Obligation, Series 2026 (the "Certificates"), $80,650,000* Public Property Finance Contractual Obligations, Series 2026 (the "Contractual Obligations"), and the $13,560,000* Certificates of Obligation, Taxable Series 2026 (the "Taxable Certificates") pursuant to the same Preliminary Official Statement and separate notices of sale and bidding instructions relating to the Bonds, Certificates, Contractual Obligations and the Taxable Certificates.

Bids for each of the Taxable Bonds, the Bonds, the Certificates, the Contractual Obligations, and the Taxable Certificates will be accepted at the times described in the respective Notice of Sale and Bidding Instructions for each such issue. **A different Official Notice of Sale has been prepared for each issue, and the award and delivery of the Taxable Bonds is not contingent on the award or delivery of the Bonds, the Certificates, the Contractual Obligations, or the Taxable Certificates.** Terms used herein and not defined in the Official Notice of Sale shall have the same meaning assigned to them in the Preliminary Official Statement.

ELECTRONIC BIDS ONLY: Bids for the Taxable Bonds must be submitted prior to 10:30 AM, Austin, Texas time on Tuesday, September 22, 2026 (the "Sale Time"). Bids may be submitted through the facilities of PARITY (see "PARITY" below) beginning at 10:00 AM, Austin, Texas time on Tuesday, September 22, 2026. Subscription to the i-Deal, L.L.C.'s BIDCOMP Competitive Bidding System is required in order to submit a bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe. To bid via PARITY, bidders must have made arrangements for the Good Faith Deposit prior to the Sale Time, as further described below.

*Preliminary; subject to change.

PARITY

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Taxable 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 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 and Bidding Instructions shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale and Bidding Instructions shall control. Further information about PARITY, including any fee charged, may be obtained from BIDCOMP/PARITY, 1359 Broadway, 2nd Floor, New York, New York 10018, (212) 849-5021.

For purposes of the electronic bidding process, the time as maintained by PARITY shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the True Interest Cost Rate to the City, as described under "CONDITIONS OF THE SALE - Basis for Award" below. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and Bidding Instructions and the Official Bid Form.

BIDS BY FACSIMILE: BIDS BY FACSIMILE WILL NOT BE ACCEPTED.

BIDS BY PHONE: BIDS BY PHONE WILL NOT BE ACCEPTED.

PRELIMINARY AND FINAL OFFICIAL STATEMENT: The City's Preliminary Official Statement is available for viewing in electronic format on the i-Deal Prospectus website. The i-Deal Prospectus website address is https://www.i-dealprospectus.com/. In addition, FINRA registered broker-dealers and dealer banks with DTC clearing arrangements may either: (a) print out a copy of the Preliminary Official Statement on their own printer, or (b) at any time prior to September 22, 2026, elect to receive a photocopy of the Preliminary Official Statement in the mail by calling the City's Municipal Advisor, PFM Financial Advisors LLC ("PFM" or the "City's Municipal Advisor"), 111 Congress Avenue, Suite 2150, Austin, Texas 78701 at (512) 614-5323.

The Preliminary Official Statement is "deemed final" by the City as of its date, for purposes of paragraph (b)(1) of SEC Rule 15c2-12, promulgated by the United States Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (the "Rule"), except for the omission of information concerning the offering price(s), interest rate(s), selling compensation, aggregate principal amount of the Taxable Bonds, description of insurance, if any, and any other terms or provisions to be determined from the successful bid or depending on such matters, and the identity of the purchaser(s). The Preliminary Official Statement is, however, subject to such further revisions, amendments and completion in a final Official Statement as may be necessary.

The City shall provide the winning bidder (the "Purchaser") with up to 25 conformed copies of a final Official Statement within seven (7) business days following the date of acceptance of the bid. See "GENERAL – The Official Statement and Compliance with SEC Rule 15c2-12". The final Official Statement will be available at the City's website https://www.austintexas.gov/financial-services/bonds after the date of delivery of the Taxable Bonds.

AWARD OF THE TAXABLE BONDS: The bids for the Taxable Bonds will be opened at 10:30 AM Austin, Texas Time, on September 22, 2026. On August 27, 2026, the City Council adopted an ordinance authorizing the Taxable Bonds and approving the Preliminary Official Statement (the "Ordinance"). In the Ordinance, the City Council delegated pricing of the Taxable Bonds, and certain other matters, to an

Authorized Representative (as defined in the Ordinance) who will execute a "Pricing Certificate" on the date of the bid opening to award the sale of the Taxable Bonds, or will reject all bids.

THE TAXABLE BONDS

DESCRIPTION: The Taxable Bonds will be dated October 15, 2026* (the "Dated Date"). Interest will accrue from the Dated Date, and will be due on March 1, 2027, and each September 1 and March 1 thereafter until the earlier of maturity or prior redemption. The Taxable Bonds will be issued only in integral multiples of $5,000 for any one maturity. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Taxable Bonds will mature in each year as follows unless the bidder elects to have one or more Term Taxable Bonds as provided below.

MATURITY SCHEDULE*

Maturity (September 1)	Principal Amount*	Maturity (September 1)	Principal Amount*
2027	$2,140,000	2037	$3,290,000
2028	2,030,000	2038	3,460,000
2029	2,140,000	2039	3,650,000
2030	2,260,000	2040	3,850,000
2031	2,385,000	2041	4,065,000
2032	2,515,000	2042	4,295,000
2033	2,655,000	2043	4,550,000
2034	2,800,000	2044	4,815,000
2035	2,955,000	2045	5,100,000
2036	3,115,000	2046	5,395,000

ADJUSTMENT OF PRINCIPAL AMOUNT AND MATURITY SCHEDULE FOR THE TAXABLE BONDS: The principal amounts for the Taxable Bonds set forth in this Notice of Sale and Bidding Instructions reflect estimates of the City and its Municipal Advisor with respect to the likely interest rate of the winning bid and the premium/discount contained in the winning bid. The maturity schedule may be adjusted by the City and its Municipal Advisor prior to the date and time for submission of bids and, if any such adjustment is made, bidders must bid on the basis of the adjusted schedule. Notwithstanding anything else in this Notice of Sale and Bidding Instructions, such changes will be reflected in the maturity schedule posted with PARITY on or before the day the City requests bids for the Taxable Bonds. The City and its Municipal Advisor shall not be required to give any other notice of any adjusted maturity schedule.

After selecting the winning bid, the aggregate principal amount of the Taxable Bonds and the principal installment amounts in the maturity schedule may be further adjusted as determined by the City in $5,000 increments to reflect the actual interest rates and any premium/discount in the winning bid and to maximize the efficiency of the structure related to the Taxable Bonds. Any such adjustment of the aggregate principal amount of the Taxable Bonds and/or the principal installment amounts (including Term Taxable Bonds, if any; see "- Serial Taxable Bonds and/or Term Taxable Bonds" below) in the maturity schedule for the Taxable Bonds made by the City or its Municipal Advisor shall be subsequent to the award of the Taxable

* Preliminary, subject to change. See "THE TAXABLE BONDS – Adjustment of Principal Amount and Maturity Schedule for the Taxable Bonds" and "CONDITIONS OF THE SALE – Type of Bids and Interest Rates".

Bonds to the winning bidder as determined pursuant to "CONDITIONS OF THE SALE – Basis for Award" herein and shall not affect such determination.

Such adjustment will not change the aggregate principal amount of the Taxable Bonds to be issued by more than 15% from the aggregate principal amount posted with PARITY on September 22, 2026. The dollar amount bid for the Taxable Bonds by the winning bidder will be adjusted proportionately to reflect any increase or decrease in the aggregate principal amount of the Taxable Bonds finally determined to be issued. Any such adjustment will be communicated to the winning bidder within four (4) hours of the deadline for the submission of bids. Upon receipt of the initial reoffering prices from the winning bidder, the Municipal Advisor will calculate the winning bidder's total per bond purchaser's compensation (fees and expenses). Any adjustments to the aggregate principal amount of the Taxable Bonds and the maturity schedule will be made in a manner that does not decrease the winning bidder's certified purchaser's compensation on a per bond basis. The winning bidder may not withdraw its bid as a result of any changes made within the limits provided herein.

In the event of any such adjustment, no rebidding or recalculation of the bids submitted will be required or permitted; and the Taxable Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering yield as specified in the original bid. However, the award will be made to the bidder whose bid produces the lowest True Interest Cost Rate, calculated as specified herein, without taking into account any adjustment in the principal amount of Taxable Bonds as set forth above.

In the event that the City and its Municipal Advisor exercise the right to make adjustments to the aggregate principal amount of the Taxable Bonds and/or the principal installment amounts in the maturity schedule after the deadline for the submission of bids, the winning bidder must execute and deliver to the City an acknowledgment of and agreement with such modification and adjusted maturity schedule upon the award of the Taxable Bonds to such winning bidder, and the Taxable Bonds shall be payable in the principal amounts contained therein and shall bear interest at the respective interest rates submitted to PARITY by the winning bidder.

SERIAL TAXABLE BONDS AND/OR TERM TAXABLE BONDS: Bidders may provide that all of the Taxable Bonds be issued as serial taxable bonds or may provide that any two or more consecutive annual principal installment amounts be combined into one or more Term Taxable Bonds (see "Mandatory Sinking Fund Redemption" below).

MANDATORY SINKING FUND REDEMPTION: If the successful bidder elects to alter the Maturity Schedule reflected above and convert principal amounts of the Taxable Bonds into "Term Taxable Bonds", such Term Taxable Bonds shall be subject to mandatory sinking fund redemption on the first September 1 next following the last maturity for Serial Taxable Bonds as reflected in the bidder's bid, and annually thereafter on each September 1 until the stated maturity for the Term Taxable Bonds at the redemption prices of par plus accrued interest to the date of redemption. The principal amounts of the Term Taxable Bonds to be redeemed on each mandatory sinking fund redemption date shall be the principal amounts that would have been due and payable in the Maturity Schedule had no conversion to Term Taxable Bonds occurred.

The principal amount of Term Taxable Bonds of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City, by the principal amount of any Term Taxable Bond of the same maturity which, at least 45 days prior to a mandatory redemption date shall have been (1) acquired by the City at a price not exceeding the principal amount of such Term Taxable Bond plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) purchased and canceled by the Paying Agent/Registrar at the request of the City at a price not exceeding the principal amount of such Term Taxable Bond plus accrued interest to the date of purchase, or (3) redeemed pursuant to the related optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

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

BOOK-ENTRY-ONLY SYSTEM: The City intends to utilize the book-entry-only system of The Depository Trust Company, New York, New York ("DTC"). See "OBLIGATION INFORMATION - Book-Entry-Only System" in the Preliminary Official Statement.

OPTIONAL REDEMPTION: The City reserves the right, at its option, to redeem Taxable Bonds having stated maturities on and after September 1, 2037*, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on September 1, 2036*, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption.

PAYING AGENT/REGISTRAR: The initial Paying Agent/Registrar shall be U.S. Bank Trust Company, National Association, Houston, Texas.

AUTHORITY FOR ISSUANCE AND SOURCE OF PAYMENT: The City is authorized to issue the Taxable Bonds pursuant to Chapters 1331 and 1371, Texas Government Code, as amended, elections held within the City, the Ordinance, and a Pricing Certificate to be executed on the date of sale evidencing the final terms of sale of the Taxable Bonds, all as more fully set forth in the Preliminary Official Statement.

The Taxable Bonds are direct obligations of the City, payable out of the receipts from an ad valorem tax levied, within the limits prescribed by law, on all taxable property located within the City.

Further details regarding the Taxable Bonds are set forth in the Preliminary Official Statement. See "THE SALE - Preliminary and Final Official Statement" above.

CONDITIONS OF THE SALE

TYPE OF BIDS AND INTEREST RATES: The Taxable Bonds will be sold in one block on an "All or None" basis. **The aggregate purchase price, inclusive of original issue discount ("OID"), original issue premium ("OIP") and purchaser's discount, may not be less than 101% of the aggregate principal amount of the Taxable Bonds.** Bidders are invited to name the rate(s) of interest to be borne by the Taxable Bonds via their electronic bid, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1% and the net effective interest rate must not exceed 15%. No individual maturity shall have a price of less than 98%. No limitation is imposed upon bidders as to the number of rates or changes which may be used. All Taxable Bonds of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered.

---

*Preliminary; subject to change.

<u>BASIS FOR AWARD</u>: The sale of the Taxable Bonds will be awarded to the bidder making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost Rate to the City. The True Interest Cost Rate is that rate which, when used to compute the total present value as of the Dated Date of all debt service payments on the Taxable Bonds on the basis of semi-annual compounding, produces an amount equal to the Net Taxable Bond Proceeds (defined as the par amount of the Taxable Bonds, plus any OIP, less any OID and purchaser's discount on the Taxable Bonds calculated on a 360 day year to the Dated Date). In the event of a bidder's error in interest cost rate calculations, the interest rates, and premium, if any, set forth, or incorporated by reference, in the Official Bid Form will be considered as the intended bid.

In order to provide the City with information required to be submitted to the Texas Bond Review Board pursuant to Section 1202.008, Texas Government Code, as amended, the initial Purchaser will be required to provide the City with a breakdown of its "underwriting spread" among the following categories: Takedown, Management Fee (if any), Legal Counsel Fee (if any) and Spread Expenses (if any).

The City reserves the right to reject any and all bids and to waive any irregularity or informality of any bid, except time of submission.

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

<u>GOOD FAITH DEPOSIT</u>: A Good Faith Deposit, payable to the "City of Austin, Texas", in the amount of $674,650, which is 1% of the proposed par value of the Taxable Bonds, is required. Such Good Faith Deposit shall be in the form of a Cashier's Check, or its equivalent. If a Cashier's Check is used, it is to be retained uncashed by the City pending the Purchaser's compliance with the terms of the Official Bid Form and this Notice of Sale and Bidding Instructions. The Good Faith Deposit, if in the form of a Cashier's Check, may accompany the Official Bid Form or it may be submitted separately, in either case it must be in the possession of the City's Municipal Advisor prior to the Sale Time in order for prospective bidders to qualify to bid electronically. If a Cashier's Check is submitted separately, it shall be made available to the City prior to the opening of the bids, and shall be accompanied by instructions from the bank on which drawn which authorizes its use as a Good Faith Deposit by the Purchaser who shall be named in such instructions. **The Good Faith Deposit of the Purchaser utilizing a Cashier's Check will be returned to the Purchaser upon payment for the Taxable Bonds.** No interest will be allowed on the Good Faith Deposit. In the event the Purchaser should fail or refuse to take up and pay for the Taxable Bonds in accordance with the bid, then said Cashier's Check shall be cashed and accepted by the City as full and complete liquidated damages. The Cashier's Checks accompanying bids other than the winning bid will be returned immediately after the bids are opened, and an award of the Taxable Bonds has been made.

<u>The Good Faith Deposit will be returned in full to the Purchaser upon payment for the Taxable Bonds</u>. If the Purchaser should fail to pay for the Taxable Bonds in accordance with its bid, then the Good Faith Deposit will be accepted by the City as full and complete liquidated damages.

<u>PROVISION OF TEXAS ETHICS COMMISSION FORM 1295 ("TEC FORM 1295") AND CERTIFICATION OF FILING BY BIDDERS</u>: Pursuant to Texas Government Code §2252.908 (the "Interested Party Disclosure Act"), unless the bidder represents and verifies in the Official Bid Form that the bidder is a publicly traded business entity, or a wholly owned subsidiary of a publicly traded business entity, the City may not award the Taxable Bonds to a bidder unless the bidder has provided to the City a

TEC Form 1295 and a Certification of Filing as generated by the Texas Ethics Commission (the "TEC"). Pursuant to the rules prescribed by the TEC, the TEC Form 1295 must be completed online through the TEC's website at https://www.ethics.state.tx.us/filinginfo/1295/. The TEC Form 1295 must then be completed, signed and provided to the City (c/o the City's Municipal Advisor, PFM Financial Advisors LLC (Attn: waleyd@pfm.com and robertsb@pfm.com)), and to the City's Bond Counsel, McCall, Parkhurst & Horton L.L.P. (Attn: sgill@mphlegal.com) along with Certification of Filing generated by TEC. Originals of the completed Disclosure Form and the certification of filing must be physically delivered to the City within 2 business days of the award at the following address:

Belinda Weaver
City of Austin
Austin Financial Services - Treasury
PO Box 2106
Austin, Texas, 78768

In the event that the bidder's bid for the Taxable Bonds is the best bid received, the City, acting through its Municipal Advisor, will promptly notify the bidder. That notification will serve as the conditional verbal acceptance of the bid, and will obligate the bidder to file promptly a completed TEC Form 1295, in order to complete the award. **TEC Form 1295 must be received by the City prior to the formal acceptance of the winning bid.** The TEC Form 1295 and Certificate of Filing may be provided to the City via facsimile or electronically. Following the award of the Taxable Bonds, the City will acknowledge the receipt of each completed TEC Form 1295 and Certification of Filing. **The City reserves the right to reject any bid that does not comply with the requirements prescribed herein.** For purposes of completing the TEC Form 1295, box two is the City's formal name and box 3 is **Austin TAX PIB 2026**. Neither the City nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Taxable 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 City that its bid is the apparent winning bid.

VERIFICATIONS OF STATUTORY REPRESENTATIONS AND COVENANTS: The City will not award the Taxable Bonds to a bidder unless the following representations, verifications and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the "Government Code"), 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. If syndicate members are included on the Official Bid Form, the bidder must make the same representations, verifications and covenants with respect to each such syndicate member. 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 Official Bid Form or Official Notice of Sale, notwithstanding anything in the Official Bid Form or Official Notice of Sale to the contrary.

(i) **No Boycott of Israel (Texas Government Code Chapter 2271):** 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 this Agreement. 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):** 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, 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 Discrimination Against Firearm Entities or Firearm Trade Associations (Texas Government Code Chapter 2274):** 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 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), Government Code.

(iv) **No Boycott of Energy Companies (Texas Government Code Chapter 2276):** 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 this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

FURTHER STATE LAW COMPLIANCE AND STANDING LETTER REQUIREMENT: Each prospective bidder and syndicate member 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 a bid, a bidder represents to the City that it and each syndicate member 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 winning bidder agrees that neither it nor any syndicate member will rescind its standing letter at any time before the delivery of the Taxable Bonds unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The City will not accept a bid from a bidder in the event the bidder or any syndicate member does not have such standing letter on file as of the deadline for bids for the Taxable Bonds. If requested by the City, the Initial Purchaser agrees to provide such further representations, certifications or assurances in connection with the Covered Verifications (defined below), as of the Delivery Date 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 CITY RESERVES THE RIGHT, IN ITS SOLE DISCRETION, 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 OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES OR DISCRIMINATING AGAINST FIREARM ENTITIES, OR WHO HAS ANY SYNDICATE MEMBER WHO IS, OR WHOSE PARENT COMPANY, SUBSIDIARIES OR AFFILIATES ARE, ON A LIST MAINTAINED BY THE TEXAS COMPTROLLER OF FINANCIAL COMPANIES BOYCOTTING ENERGY COMPANIES OR DISCRIMINATING AGAINST FIREARM ENTITIES.

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

To the extent the Initial 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"). THE LIABILITY OF THE BIDDER FOR BREACH OF ANY OF THE VERIFICATIONS MADE IN CONNECTION WITH CHAPTERS 2252, 2271, 2274, AND 2276, TEXAS GOVERNMENT CODE, AS AMENDED (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 NOTICE OF SALE OR THE OFFICIAL BID FORM. ADDITIONALLY, 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.

DELIVERY OF THE TAXABLE BONDS AND ACCOMPANYING DOCUMENTS

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will appear on the Taxable Bonds, but neither the failure to print or type such number on any Taxable Bond 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 Taxable Bonds in accordance with the terms of this Notice of Sale and Bidding Instructions and the terms of the Official Bid Form. The City's Municipal Advisor shall make application for CUSIP numbers. All expenses in relation to the printing or typing of CUSIP numbers on the Taxable Bonds shall be paid by the City; provided, however, that the charges of CUSIP Global Services for the assignment of the numbers shall be the responsibility of and shall be paid for by the Purchaser.

INITIAL DELIVERY OF TAXABLE BONDS: Initial delivery of the Taxable Bonds will be accomplished by the issuance of an initial certificate for each maturity (also called the "Initial Taxable Bonds"), either in typed or printed form, in the aggregate principal amount of $67,465,000,* payable to the Purchaser, signed by the Mayor and City Clerk, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts.

Upon delivery of the Initial Taxable Bonds, they shall be immediately canceled and one certificate for each maturity of the Taxable Bonds will be delivered and deposited with DTC in connection with DTC's book-entry-only system. Initial delivery will be at the office of the Paying Agent/Registrar in Houston, Texas.

Payment for the Taxable Bonds 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 Taxable Bonds. It is anticipated that initial delivery of the Initial Taxable Bonds can be made on or about October 15, 2026*, and it is understood and agreed that the Purchaser will accept delivery and make payment for the Taxable Bonds by 10:00 AM, Austin, Texas time, on October 15, 2026*, or thereafter on the date the Taxable Bonds are tendered for delivery, up to and including October 29, 2026. If for any reason the City is unable to make delivery on or before October 29, 2026, 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 connection with the sale and delivery of the Taxable Bonds. In no event shall the City be liable for any damages by reason of its failure to deliver the Taxable Bonds, provided such failure is due to circumstances beyond the City's reasonable control.

---

* Preliminary, subject to change. See "THE TAXABLE BONDS – Adjustment of Principal Amount and Maturity Schedule for the Taxable Bonds".

CONDITIONS TO DELIVERY: The obligation of the Purchaser to take up and pay for the Taxable Bonds is subject to the Purchaser's receipt of (a) the legal opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel to the City ("Bond Counsel"), and (b) the no-litigation and Official Statement Certificate, all as further described in the Preliminary Official Statement.

LEGAL OPINIONS: The Taxable Bonds are offered when, as and if issued, subject to the unqualified approving legal opinion of the Attorney General of the State of Texas. Delivery of and payment for the Taxable Bonds is subject to the receipt by the Purchaser of the approving legal opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, substantially in the form reproduced in Appendix C to the Preliminary Official Statement.

Bond Counsel was not requested to participate, and did not take part, in the preparation of this Official Notice of Sale or the Preliminary Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained herein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Taxable Bonds in the Preliminary Official Statement to verify that such descriptions conform to the provisions of the Ordinance. The legal opinions to be delivered concurrently with the delivery of the Taxable Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues expressly addressed in those opinions. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise from the transaction.

CERTIFICATION AS TO NO-LITIGATION AND OFFICIAL STATEMENT: At the time of payment for and initial delivery of the Taxable Bonds, the Purchaser of the Taxable Bonds will be furnished a certificate, executed by proper officials of the City, 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 City 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 Taxable Bonds and the acceptance of the best bid therefor, and on the date of initial delivery of the Taxable Bonds, were and are true and correct in all material respects; (b) insofar as the City 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 City, and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the City believes to be reliable and the City has no reason to believe that they are untrue in any material respect; (d) except as may be otherwise described in the Official Statement, there has been no material adverse change in the financial condition of the City since the date of the last audited financial statements of the of the City appearing in the Official Statement; and (e) no litigation of any nature has been filed or is pending, as of the date of said certificate, to restrain or enjoin the issuance or delivery of the Taxable Bonds or which would affect the provisions made for their payment or security or in any manner question the validity of the Taxable Bonds.

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

CONTINUING DISCLOSURE AGREEMENT: The City has agreed in the Ordinance to provide certain periodic information and notices of certain events in accordance with the Rule, as described in the Official Statement under "CONTINUING DISCLOSURE OF INFORMATION". The Purchaser's obligation to accept delivery of and pay for the Taxable Bonds is conditioned upon delivery to the Purchaser or its agent of a copy of the Ordinance containing the agreement described under such subcaption in addition to the other documents described under the subheading "Conditions to Delivery" above.

GENERAL

<u>MUNICIPAL ADVISOR</u>: PFM is employed as the City's Municipal Advisor in connection with the issuance of the Taxable Bonds. PFM's fee for services rendered with respect to the sale of the Taxable Bonds is contingent upon the issuance and delivery of the Taxable Bonds. PFM, in its capacity as Municipal Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Taxable Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

<u>REGISTRATION AND QUALIFICATION OF TAXABLE BONDS FOR SALE</u>: No registration statement relating to the Taxable Bonds has been filed with the SEC under the Securities Act of 1933, as amended, in reliance upon exemptions provided in such Act. The Taxable 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 Taxable Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon exemptions contained therein, nor have the Taxable Bonds been registered or qualified under the securities acts of any other jurisdiction. The City assumes no responsibility for registration or qualification of the Taxable Bonds under the securities laws of any jurisdiction in which the Taxable 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 Taxable Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

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

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

<u>RATINGS</u>: The Taxable Bonds received ratings of "AAA" from S&P Global Ratings, a division of S&P Global Inc. ("S&P"), and "AAA" from Fitch Ratings, Inc. ("Fitch"). The City also has parity tax-supported obligations rated "Aaa" (stable outlook) by Moody's Ratings ("Moody's"). The City did not obtain a rating from Moody's on the Taxable Bonds being issued. An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations and the City makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating companies, if in the judgment of one or all such companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or by any one of them, may have an adverse effect on the market price and marketability of the Taxable Bonds. See "OTHER RELEVANT INFORMATION – Ratings" in the Official Statement.

<u>MUNICIPAL BOND INSURANCE</u>: In the event the Taxable Bonds are qualified for municipal bond insurance, and the Purchaser desires to purchase such insurance, the cost therefor **<u>will be paid by the Purchaser</u>**. Any fees to be paid to the rating agencies as a result of said insurance **<u>will be paid by the City</u>**. It will be the responsibility of the Purchaser to disclose the existence of insurance, its terms and the effect thereof with respect to the reoffering of the Taxable Bonds.

<u>THE OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15C2-12</u>: The City has prepared the accompanying Preliminary Official Statement and, for the limited purpose of complying with the Rule, deems such Preliminary Official Statement to be final as of its date within the meaning of the 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 Bidding Instructions and in the Preliminary Official Statement.

The City will furnish to the Purchaser, or Purchasers, acting through a designated senior representative, in accordance with instructions received from the Purchaser(s), within seven (7) business days from the sale date an aggregate of up to 25 copies of the Official Statement, together with information regarding interest rates, and other terms relating to the reoffering of the Taxable Bonds. In addition, the City agrees to provide, or cause to be provided, to the 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 Purchaser to comply with the Rule or the rules of the Municipal Securities Rulemaking Board ("MSRB"). The City consents to the distribution of such documents in a "designated electronic format." Upon receipt, the Purchaser shall promptly file the Official Statement with the MSRB in accordance with MSRB Rule G-32. The Purchaser may arrange at its own expense to have the Official Statement reproduced and printed if it requires more copies. The Purchaser will be responsible for providing information concerning the City and the Taxable Bonds to subsequent purchasers of the Taxable Bonds, 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 omitted or materially misleading, after the date of the Official Statement, shall terminate 25 days after the date of initial delivery of the Taxable Bonds.

On the date of the sale, the City will, through its delegation to the Authorized Representative, in the Pricing Certificate, confirm its approval of the form and content of the Preliminary Official Statement, and any addenda, supplement or amendment thereto, and authorize its use in the reoffering of the Taxable Bonds by the Purchaser.

____
AUTHORIZED REPRESENTATIVE
City of Austin, Texas

September 15, 2026

OFFICIAL BID FORM

Honorable Mayor and City Council
City of Austin, Texas
c/o City Treasurer
919 Congress Avenue, Suite 1250
Austin, Texas 78701

September 22, 2026

Members of the City Council:

Reference is made to your Preliminary Official Statement and Official Notice of Sale, dated September 15, 2026, of $67,465,000* CITY OF AUSTIN, TEXAS PUBLIC IMPROVEMENT BONDS, TAXABLE SERIES 2026 (the "Taxable Bonds"), both of which constitute a part hereof.

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

Maturity (September 1)	Principal Amount*	Interest Rate	Price or Yield	Maturity (September 1)	Principal Amount*	Interest Rate	Price or Yield
2027	$2,140,000			2037	$3,290,000		
2028	2,030,000			2038	3,460,000		
2029	2,140,000			2039	3,650,000		
2030	2,260,000			2040	3,850,000		
2031	2,385,000			2041	4,065,000		
2032	2,515,000			2042	4,295,000		
2033	2,655,000			2043	4,550,000		
2034	2,800,000			2044	4,815,000		
2035	2,955,000			2045	5,100,000		
2036	3,115,000			2046	5,395,000		

(Interest to accrue from the Date of Initial Delivery)

Of the principal maturities set forth in the table above, term taxable bonds have been created as indicated in the following table (which may include multiple term taxable bonds, one term taxable bond or no term taxable bond if none is indicated). For those years which have been combined into a term taxable bond, 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 taxable bond maturity date shall mature in such year. The term taxable bonds created are as follows.

Maturity Date	Year of First Mandatory Redemption	Principal Amount	Interest Rate
		$	%
		$	%
		$	%

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

True Interest Cost Rate %

*Preliminary; subject to change.

The Initial Taxable Bonds shall be registered in the name of the undersigned. We will advise The Depository Trust Company, New York, New York ("DTC"), of registration instructions at least five business days prior to the date set for Initial Delivery.

A Cashier's Check of the __________________ Bank, ________________, in the amount of $674,650, 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 Official Statement and Notice of Sale and Bidding Instructions.

We agree to accept delivery of the Taxable Bonds utilizing the book-entry-only system through DTC and make payment for the Initial Taxable Bonds by wire transfer in immediately available funds pursuant to written direction of the City, not later than 10:00 AM, Austin, Texas time, on October 15, 2026, or thereafter on the date the Taxable Bonds are tendered for delivery, pursuant to the terms set forth in the Notice of Sale and Bidding Instructions.

We agree to provide in writing the initial reoffering prices and other terms, if any, to the Municipal Advisor by the close of the next business day after the award. We also agree and hereby direct the Authorized Representative to attach hereto our electronic bid thereby, by this directed incorporation by reference, completing the information needed for this manually executed bid form.

The undersigned acknowledges and agrees that the City will consider this to be a firm offer for the purchase of the Taxable Bonds.

We certify that (check one of the below):

[_____] We have submitted a Certificate of Interested Parties Form 1295 (the "TEC Form 1295") to the City as prescribed by the Texas Ethics Commission; **or**

[_____] We are exempt from filing the TEC Form 1295 by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity.

As used in the following verifications, representations and covenants "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. The Purchaser hereby makes the same verifications, representations and covenants with respect to each syndicate member listed on this Official Bid Form. 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 during the term of this Agreement. 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 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), Government Code.

(iv) 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 during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

By submitting this bid, the Purchaser understands and agrees that if Purchaser should fail or refuse to take up and pay for the Taxable Bonds in accordance with this bid, or it is determined that after the acceptance of this bid by the City that the Purchaser or any syndicate member listed on the Official Bid Form 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 Taxable Bonds, 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 (AS DEFINED BELOW).

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.

Further State Law Compliance and Standing Letter Requirement. By submitting this bid, the Purchaser understands and agrees that it and each syndicate member listed in this Official Bid Form 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 and each syndicate member listed in this Official Bid Form 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(s) on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office. The Purchaser hereby further agrees that it and each syndicate member listed in this Official Bid Form will not rescind its standing letter at any time before the delivery of the Taxable Bonds unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The Purchaser agrees that it and each syndicate member listed in this Official Bid Form will 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 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 of financial companies boycotting energy companies or discriminating against firearm entities, or who has any syndicate member who is, or whose parent company, subsidiaries or affiliates are, on a list maintained by the Texas Comptroller 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 THE AGREEMENT OF THE PURCHASER TO PURCHASE THE TAXABLE BONDS UNTIL THE STATUTE OF LIMITATIONS HAS RUN.

Respectfully submitted,

____________________________ ____________________________

____________________________ ____________________________

____________________________ By: ____________________________

Authorized Representative

List of Syndicate Members, if any:

ACCEPTANCE CLAUSE

The above and foregoing bid together with the electronic bid information completing such information as incorporated by reference therein and attached hereto is hereby in all things accepted by the City of Austin, Texas, subject to and in accordance with the Official Notice of Sale, this the 22nd day of September 2026.

Authorized Representative
City of Austin, Texas