

**NOTICE OF SALE
AND
BIDDING INSTRUCTIONS**

\$19,130,000*
CITY OF LAKE JACKSON, TEXAS
(Brazoria County)
WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2025

Sealed Bids Due Monday, July 21, 2025 at 10:45 A.M.

THE SALE

BONDS OFFERED FOR SALE AT COMPETITIVE BIDDING . . . The City of Lake Jackson, Texas (the "City") is offering for sale its \$19,130,000* Waterworks and Sewer System Revenue Bonds, Series 2025 (the "Bonds"). Bidders may submit bids for the Bonds by submitting bids electronically as described below in "Electronic Bidding Procedure."

PURPOSE . . . Proceeds from the sale of the of the Bonds will be used (i) to finance certain improvements to the System and (ii) to pay certain costs incurred in connection with the issuance of the Bonds.

ELECTRONIC BIDDING PROCEDURE . . . Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. **Bidders submitting an electronic bid shall not be required to submit official bid forms.** Subscription to i-Deal LLC's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

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

If any provisions of this Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from Parity Customer Support, 40 West 23rd Street, 5th Floor, New York, New York 10010, (212) 404-8102.

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 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 the Official Bid Form.

HilltopSecurities will not be responsible for submitting, nor will it submit, any bids received after the above deadlines.

PLACE AND TIME OF BID OPENING . . . The bids for the Bonds will be publicly opened and read in the office of HilltopSecurities, 700 Milam, Suite 1200, Houston, Texas 77002, at 10:45 A.M. CDT, Monday, July 21, 2025.

AWARD OF THE BONDS . . . The City Council will take action to award the Bonds (or reject all bids) at a meeting to convene at 6:30 p.m. CST, on the date of the bid opening, and adopt an ordinance authorizing the Bonds and containing certain other matters related thereto (the "Ordinance").

ADVANCE MODIFICATION OF PRINCIPAL AMOUNTS . . . The City reserves the right to change the Principal Amounts in each maturity by giving notice of such change, via bond buyer wire service and PARITY, at least 24 hours in advance of the time set for receipt for bids. Such notice shall be considered an amendment to this Notice of Sale.

POST BID MODIFICATION OF PRINCIPAL AMOUNTS . . . After the receipt of bids, but prior to the award of the Bonds, the City reserves the right to amend the Principal Amounts by up to 10%. Such modifications of Principal Amounts will be disclosed to the winning bidder within one hour of the time set for receipt of the bids and will be made with consideration to preserving the winning bidder's underwriting production per Certificate.

* Preliminary, subject to change.

THE BONDS

DESCRIPTION . . . The Bonds will be dated August 1, 2025 (the "Dated Date"). Interest will accrue from the Delivery Date and will be due April 15, 2026, and each October 15 and April 15 thereafter until the earlier of maturity or prior redemption. The Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity. The Bonds will mature on April 15 in each year as follows:

MATURITY SCHEDULE*

Year 4/15	Principal Amount*	Year 4/15	Principal Amount*	Year 4/15	Principal Amount*
2026	\$ 960,000	2033	\$ 955,000	2039	\$ 955,000
2027	960,000	2034	955,000	2040	955,000
2028	960,000	2035	955,000	2041	955,000
2029	960,000	2036	955,000	2042	955,000
2030	960,000	2037	955,000	2043	955,000
2031	960,000	2038	955,000	2044	955,000
2032	955,000			2045	955,000

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem Bonds having stated maturities on and after April 15, 2035, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on April 15, 2034, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption.

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 (the "Term Bonds").

MANDATORY SINKING FUND . . . If the successful bidder elects to convert principal amounts of the Serial Bonds into Term Bonds, such Term Bonds shall be subject to mandatory redemption on the first April 15 next following the last maturity for Serial Bonds, and annually thereafter on each April 15 until the stated maturity for the Term Bonds at the redemption prices of par plus accrued interest to the date of redemption. The principal amounts of the Term Bonds to be redeemed on each mandatory redemption date will be the principal amounts that would have been due and payable in the Maturity Schedule shown above had no conversion to Term Bonds occurred. At least 30 days prior to each mandatory redemption date, the Paying Agent/Registrar (hereinafter defined) will select, by lot or any other customary method that results in a random selection, the Term Bonds to be redeemed and cause a notice of redemption to be given in the manner provided in the Ordinance and described in the Preliminary Official Statement.

The principal amount of the Term Bonds required to be redeemed on any mandatory redemption date shall be reduced, at the option of the City, by the principal amount of any Term Bonds which, at least forty-five (45) days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

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

BOOK-ENTRY-ONLY SYSTEM . . . The City intends to utilize the Book-Entry-Only System of The Depository Trust Company ("DTC"). See "THE BONDS - BOOK-ENTRY-ONLY SYSTEM" in the Official Statement.

PAYING AGENT/REGISTRAR . . . The initial Paying Agent/Registrar shall be The Bank of New York Mellon Trust Company, National Association, Pittsburgh, Pennsylvania. THE BONDS - PAYING AGENT/REGISTRAR" in the Official Statement.

SOURCE OF PAYMENT . . . The Bonds are special obligations of the City payable solely from and secured by a first lien and pledge of the net revenues (as described in the Ordinance) of the City's Waterworks and Sewer System (the "System") solely located within the City, as provided in the Ordinance.

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

* Preliminary, subject to change.

CONDITIONS OF THE SALE

TYPE OF BID 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 103.00% or more than 108.00% of the total par value; provided, however, that any bid is subject to adjustment as described under the caption "THE BONDS – POST-BID ADJUSTMENT 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 1/100 of 1% and the net effective interest rate must not exceed 15%. The highest rate bid for a given maturity may not exceed the rate bid for any other maturity by more than 3.00% in rate. The best bidder will be required to submit reoffering yields and initial reoffering prices prior to award. No maturity may have an initial reoffering price less than 98.0%. No limitation is imposed upon bidders as to the number of rates or changes which may be used. All Bonds of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered.

BASIS FOR AWARD . . . Subject to the City's right to reject any or all bids and to waive any irregularities except time of filing and receipt of the Disclosure Form (defined below), the sale of the Bonds will be awarded to the bidder or syndicate account manager whose name first appears on the Official Bid Form making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the City (the "Initial Purchaser"). The True Interest Cost rate is that rate which, when used to compute the total present value as of the Delivery Date of all debt service payments on the Bonds on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Bonds plus any premium bid, if any. **In the event of a bidder's error in interest cost rate calculations, the interest rates, and premium, if any, set forth in the Official Bid Form will be considered as the intended bid.**

GOOD FAITH DEPOSIT . . . A Good Faith Deposit, payable to the "City of Lake Jackson, Texas", in the amount of \$382,600, is required. Such Good Faith Deposit shall be a bank cashier's check or certified check, which is to be retained uncashed by the City pending the Initial Purchaser's compliance with the terms of the bid and this Notice of Sale. The Good Faith Deposit may accompany the Official Bid Form or it may be submitted separately. If submitted separately, it shall be made available to the City prior to the opening of the bids and shall be accompanied by instructions from the bank on which drawn which authorize 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 upon payment for the Bonds.** No interest will be allowed on the Good Faith Deposit. In the event the Initial Purchaser should fail or refuse to take up and pay for the Bonds in accordance with the bid, then said check shall be cashed and accepted by the City as full and complete liquidated damages. The checks accompanying bids other than the winning bid will be returned immediately after the bids are opened and an award of the Bonds has been made.

PROVISION OF TEXAS ETHICS COMMISSION FORM 1295 ("TEC FORM 1295") BY BIDDERS . . . Pursuant to Texas Government Code § 2252.908, the City may not award the Bonds to a bidder unless the bidder, and each syndicate member listed on the Official Bid Form, unless such bidder or syndicate member is exempt from such requirements pursuant to Texas Government Code §2252.908(C)(4), have provided to the District a completed and signed TEC Form 1295 which has been assigned a certificate number by the Texas Ethics Commission (the "TEC"). Pursuant to the rules prescribed by the TEC, the TEC Form 1295 must be completed online through the TEC's website, assigned a certificate number, printed, signed and provided to the City. The TEC Form 1295 may accompany the Official Bid Form or may be submitted separately but must be provided to the City prior to the time prescribed for the award of the Bonds. The TEC Form 1295 may be provided to the City via facsimile or electronically, however, the original signed TEC Form 1295 complete with certificate number must be physically delivered to the City within two business days of the award. Following the award of the Bonds, the City will notify the TEC of the receipt of each completed TEC Form 1295. The City reserves the right to reject any bid that does not comply with the requirements prescribed herein or to waive any such requirements. For purposes of completing the TEC Form 1295, the entity's name is City of Lake Jackson, Texas and the contract ID number is Waterworks and Sewer System Revenue Bonds Series 2025. 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 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.

PROCESS FOR COMPLETING THE DISCLOSURE FORM . . . The Disclosure Form can be found at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm, and reference should be made to the following information in order to complete it: (a) item 2 – Name of City ("City of Lake Jackson, Texas"), (b) item 3 – the identification number (2025), and (c) item 3 – description of the goods or services assigned to this contract by the City ("City of Lake Jackson, Texas Waterworks and Sewer System Revenue Bonds, Series 2025").

COMPLIANCE WITH LAWS PROHIBITING CONTRACTS WITH COMPANIES THAT BOYCOTT ISRAEL: The City will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that, pursuant to Chapter 2271 of the Texas Government Code, at the time of execution and delivery of its bid and through the applicable statute of limitations, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company that boycotts or will boycott Israel. The term "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended. Additionally, the City will not award the Bonds to a bidder unless the bidder certifies that, pursuant to Chapter 2252 of the Texas Government Code, at the time of execution and delivery of its bid and through the applicable statute of limitations, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company (i) that engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter

2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) listed by the Texas Comptroller of Public Accounts under Section 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code. "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exist to make a profit.

COMPLIANCE WITH LAWS PROHIBITING CONTRACTS WITH COMPANIES THAT DISCRIMINATE AGAINST FIREARM AND AMMUNITION INDUSTRIES: The City will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that, pursuant to Chapter 2274 of the Texas Government Code, at the time of execution and delivery of its bid and through the applicable statute of limitations, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company that (1) has or will have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) will discriminate against a firearm entity or firearm trade association. The term "discriminates against a firearm entity or firearm trade association" as used in this paragraph has the meaning assigned to the term in Section 2274.001 of the Texas Government Code, as amended. "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

COMPLIANCE WITH LAWS PROHIBITING CONTRACTS WITH COMPANIES THAT BOYCOTT CERTAIN ENERGY COMPANIES: The City will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that, pursuant to Chapter 2276 of the Texas Government Code, at the time of execution and delivery of its bid and through the applicable statute of limitations, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company that boycotts or will boycott energy companies. The term "boycotts energy companies" and "boycott energy companies" as used in this paragraph have the meanings assigned to the term "boycott energy company" in Section 809.001 of the Texas Government Code, as amended. "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

STANDING LETTER REQUIREMENT: Each prospective bidder must have a standing letter on file with the Texas Attorney General's Office as required by the All Bond Counsel Letters of the Texas Attorney General dated November 1, 2023 and November 16, 2023 (the "All Bond Counsel Letters"). In submitting a bid, a bidder represents to the City that (i) it has filed a standing letter that conforms to the requirements set forth in the All Bond Counsel Letters, (ii) it has no reason to believe that the City may not be entitled to rely on the standing letter on file with the Texas Attorney General's Office, and (iii) neither bidder, any syndicate member listed on the official bid form, nor any parent company, subsidiaries, or affiliates of the same, have received a letter or other inquiry from a political subdivision, the Texas Comptroller of Public Accounts, or the Texas Attorney General related to its inclusion on any list of financial companies boycotting energy companies or companies that (1) have been found to have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association or (2) will discriminate against a firearm entity or firearm trade association. Each prospective 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 Letters or any replacement requirement of the Texas Attorney General. If requested by the City, the Initial Purchaser agrees to provide such further representations, certifications or assurances regarding the matters described under the headings "Compliance with Laws Prohibiting Contracts with Companies That Discriminate Against Firearm and Ammunition Industries," and "Compliance with Laws Prohibiting Contracts with Companies That Boycott Certain Energy Companies," as applicable, as of the date of delivery of the Bonds or such other date requested by the City, and, if requested, to provide a bring-down certification as described in the November 1, 2023 All Bond Counsel Letter.

ESTABLISHMENT OF ISSUE PRICE FOR THE BONDS

GENERAL . . . In order to provide the City with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986, as amended, relating to the excludability of interest on the Bonds from gross income for federal income tax purposes, the winning bidder will be required to complete, execute, and deliver to the City or to the City's municipal advisor, Hilltop Securities Inc. (the "Financial Advisor"), at least five business days before the delivery date of the Bonds, a certification as to the Bonds' "issue price" (the "Issue Price Certificate") substantially in one of the forms and to the effect attached hereto or accompanying this Notice of Sale. In the event the winning bidder will not reoffer any maturity of the Bonds for sale to the Public (as defined herein) by the delivery date of the Bonds, the Issue Price Certificate may be modified in a manner approved by the City and Bond Counsel (identified in the Preliminary Official Statement). Each bidder, by submitting its bid, agrees to complete, execute, and timely deliver the appropriate Issue Price Certificate, if its bid is accepted by the City. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts as are necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel (identified in the Preliminary Official Statement).

DEFINED TERMS . . . For purposes of this section of this Notice of Sale:

- (i) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).
- (iii) "Related Party" means any two or more persons who are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).
- (iv) "Sale Date" means the date that the Bonds are awarded by the City to the winning bidder.

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

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

THREE BID REQUIREMENT . . . The City intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) for purposes of establishing the issue price of municipal bonds, which requires, among other things, that the City receives bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the "Three Bid Requirement"). In the event that the Three Bid Requirement is not satisfied, Treasury Regulations permit the issue price for any maturity of the Bonds to be determined based upon either (i) the first price at which 10% of such maturity is sold to the Public (the "10% Test") or (ii) if the requirements of the "Hold-the-Offering-Price Rule" described below are met, the initial offering price to the Public as of the Sale Date. For purposes hereof, if different interest rates apply within a maturity, each separate CUSIP number will be treated separately.

In the event that the Three Bid Requirement is satisfied, the sale of the Bonds will be awarded to the bidder making a bid that conforms to the specifications herein. In the event that the Three Bid Requirement is not satisfied, the City will notify the prospective winning bidder to that effect, and the prospective winning bidder will advise the City any maturity of the Bonds that satisfies the 10% Test. For any maturity of the Bonds that does not meet the 10% Test, it is the City's intention to apply the "Hold-the-Offering-Price Rule" to any maturity of the Bonds, as described below.

HOLD-THE-OFFERING-PRICE RULE . . . If the "Hold-the-Offering-Price Rule" is applied to any maturity of the Bonds (each, a "Held Maturity"), the winning bidder agrees, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell any Held Maturity to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
- (2) the date on which the Underwriters have satisfied the 10% Test with respect to that Held Maturity at a price that is no higher than the initial offering price to the Public.

The winning bidder shall promptly advise the City when the Underwriters have satisfied the 10% Test with respect to each Held Maturity at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth business day after the Sale Date. On or after the sixth business day after the Sale Date, if requested by the City, the winning bidder will confirm that the Underwriters have complied with the Hold-the-Offering-Price-Rule. If at any time the winning bidder becomes aware of any noncompliance by an Underwriter with respect to the Hold-the-Offering-Price Rule, the winning bidder will promptly report such noncompliance to the City.

ADDITIONAL REQUIREMENTS . . . The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public,

the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and v that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering price rule as applicable to the Bonds. By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS

CUSIP NUMBERS . . . It is anticipated that CUSIP identification numbers will appear on the Bonds, but neither the failure to print or type such number on any Certificate nor any error with respect thereto shall constitute cause for a failure or refusal by the Initial Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale and the terms of the Official Bid Form. All expenses in relation to the printing or typing of CUSIP numbers on the Bonds shall be paid by the City; provided, however, that the CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid for by the Initial Purchaser.

DELIVERY OF BONDS . . . Delivery will be accomplished by the issuance of one initial Bond (the "Initial Bond"), either in typed or printed form, in the aggregate principal amount of \$19,130,000*, payable in stated installments to the Initial Purchaser, signed by the Mayor and City Secretary, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts. Upon delivery of the Initial Bond, it shall be immediately cancelled and one definitive Bond for each maturity will be registered and delivered only to Cede & Co. and deposited with DTC in connection with DTC's Book-Entry-Only System. Delivery will be at the principal office of the Paying Agent/Registrar. Payment for the Bonds must be made in immediately available funds for unconditional credit to the City, or as otherwise directed by the City. The Initial Purchaser will be given three (3) business days' notice of the time fixed for delivery of the Bonds. It is anticipated that delivery of the Bond(s) can be made on or about August 19, 2025, and it is understood and agreed that the Initial Purchaser will accept delivery and make payment for the Bonds by 10:00 am, CDT, on August 19, 2025, or thereafter on the date the Bond is tendered for delivery, up to and including September 16, 2025. If for any reason the City is unable to make delivery on or before September 16, 2025, the City shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional thirty (30) days. If the Initial Purchaser does not elect to extend its offer within six (6) days thereafter, then its Good Faith Deposit will be returned, and both the City and the Initial Purchaser shall be relieved of any further obligation with respect to the Bonds. In no event shall the City be liable for any damages by reason of its failure to deliver the Bonds, provided such failure is due to circumstances beyond the City's reasonable control.

CONDITIONS TO DELIVERY . . . The obligation of the Initial Purchaser to take up and pay for the Bonds is subject to the Initial Purchaser's receipt of (a) the legal opinion of Winstead PC, Houston, Texas, Bond Counsel for the City, (b) the no-litigation certificate of the City's officers, (c) the certification of the City's officers as to the Official Statement, all as further described in the Preliminary Official Statement, and (d) the non-occurrence of the events specified herein under "NO MATERIAL ADVERSE CHANGE".

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 (on or before ten (10) business days prior to the delivery of the Bonds) 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).

LEGAL OPINIONS . . . The Bonds are offered when, as and if issued, subject to the approval of the Attorney General of the State of Texas. Delivery of and payment for the Bonds is subject to the receipt by the Initial Purchaser of the opinion of Winstead PC, Bond Counsel, substantially in the form reproduced in Appendix C to the Official Statement, to the effect that based upon an examination of a transcript of certified proceedings of the City relating to the authorization and issuance of the Bonds, the Bonds are validly issued under the Constitution and laws of the State of Texas and to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under existing law and is not an item of tax preference for the purpose of the

* Preliminary, subject to change.

alternative minimum tax; and will not be an item of tax preference for purposes of the alternative minimum tax; however, such interest may be taken into account in determining the "annual adjusted financial statement income" (as defined in section 56A of the Code) of "applicable corporations" (as defined in section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022 adjusted current earnings for purposes of the federal alternative minimum tax.

CHANGE IN TAX EXEMPT STATUS . . . Any time before the Bonds are tendered for delivery, the Initial Purchaser may withdraw its bid if the interest received by private holders on obligations of the same type and character as the Bonds shall be declared to be includable in gross income under present federal income tax laws, either by ruling of the Internal Revenue Service or by a decision of any Federal court, or shall be declared taxable or be required to be taken into account in computing any federal income taxes, by the terms of any federal income tax law enacted subsequent to the date of this Notice of Sale.

NO MATERIAL ADVERSE CHANGE . . . The obligation of the Initial Purchaser to take up and pay for the Bonds, and of the City to deliver the Bonds, is 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 financial condition of the City subsequent to the date of sale from the that set forth in the Preliminary Official Statement, as it may have been finalized, supplemented or amended through the date of sale.

NO-LITIGATION CERTIFICATE . . . On the date of delivery of the Bonds to the Initial Purchaser, the City will execute and deliver to the Initial Purchaser, a certificate to the effect that no litigation of any nature has been filed or is pending, as of that date, of which the City has notice, to restrain or enjoin the issuance or delivery of the Bonds, or which would affect the provisions made for their payment or security, or any manner question the validity of the Bonds.

RULE G-32 REQUIREMENTS . . . It is the responsibility of the Initial Purchaser to comply with the Municipal Securities Rulemaking Board's Rule G-32 within the required time frame. The Initial Purchaser must send two copies of the Official Statement along with two complete Form G-32's to the appropriate address.

GENERAL

FINANCIAL ADVISOR . . . HilltopSecurities is employed as Financial Advisor to the City in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. HilltopSecurities has agreed, in its Financial Advisory contract, not to bid for the Bonds, either independently or as a member of a syndicate organized to submit a bid for the Bonds. HilltopSecurities, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending, or future actions taken by any legislative or judicial bodies.

BLUE SKY LAWS . . . By submission of its bid, the Initial Purchaser represents that the sale of the Bonds in states other than Texas will be made only pursuant to exemptions from registration or, where necessary, the Initial Purchaser will register the Bonds in accordance with the securities law of the states in which the Bonds are offered or sold. The City agrees to reasonably 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, provided, however, that the City shall not be obligated to execute a general or special consent to service of process in any such jurisdiction or to register as a foreign corporation.

NOT AN OFFER TO SELL . . . This Notice of Sale 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 Notice of Sale, the Official Bid Form and the Official Statement collectively. Prospective purchasers are urged to carefully examine the Official Statement to determine the investment quality of the Bonds.

ISSUANCE OF ADDITIONAL DEBT . . . The City expects to issue \$19,445,000 (subject to change) Limited Tax Bonds, Series 2025 (the "Limited Tax Bonds") concurrently with the Bonds on July 21, 2025. The issuance of the Limited Tax Bonds is not contingent upon the issuance of the Bonds, nor is the issuance of the Bonds contingent upon the issuance of the Limited Tax Bonds.

RATINGS . . . The Bonds and presently outstanding tax supported debt of the City are rated "Aa3" by Moody's Investors Service, Inc. ("Moody's") and "AA-" by S&P Global Ratings ("S&P"), without regard to credit enhancement.

THE PRELIMINARY OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15c2-12 . . . The City has prepared the accompanying Official Statement and, for the limited purpose of complying with SEC Rule 15c2-12, deems such Official Statement to be final as of its date within the meaning of such Rule for the purpose of review prior to bidding. To the best knowledge and belief of the City, the Official Statement contains information, including financial information or operating data, concerning every entity, enterprise, fund, account, or person that is material to an evaluation of the offering of the Bonds. Representations made and to be made by the City concerning the absence of material misstatements and omissions in the Official Statement are addressed elsewhere in this Notice of Sale and in the Official Statement.

The City will furnish to the Initial Purchaser(s), acting through a designated senior representative, in accordance with instructions received from the Initial Purchaser(s), within seven (7) business days from the sale date an aggregate of 75 copies of the Official Statement reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of any Official Statement

in excess of the number specified shall be prepared and distributed at the cost of the Initial Purchaser(s). The Initial Purchaser(s) shall be responsible for providing in writing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the award. Except as noted above, the City assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the subject securities.

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

COMPLIANCE WITH PRIOR UNDERTAKINGS . . . Except as described below, the City has complied in all material respects with all continuing disclosure agreements made by it in accordance with Rule 15c2-12. During fiscal year 2022, the City failed to file a notice of defeasance related to a current refunding in a timely manner. The debt related to such filing is no longer outstanding.

The City has implemented certain administrative procedures to help ensure timely compliance with its obligations in the future.

ADDITIONAL COPIES OF NOTICE OF SALE, BID FORM AND OFFICIAL STATEMENT . . . A limited number of additional copies of this Notice of Sale, the Official Bid Form, and the Official Statement, as available over and above the normal mailing, may be obtained at the offices of HilltopSecurities, 700 Milam, Suite 1200, Houston, Texas 77002, Financial Advisor to the City.

On the date of the sale, the City Council will, in the Ordinance authorizing the issuance of the Bonds, confirm its approval of the form and content of this Notice of Sale and the Official Statement, and any addenda, supplement, or amendment thereto, and authorize the Official Statement's use in the reoffering of the Bonds by the Initial Purchaser.

/s/ Gerald Roznovsky
Mayor
City of Lake Jackson, Texas

ATTEST:

/s/ Sally Villarreal
City Secretary
City of Lake Jackson, Texas

July 15, 2025

OFFICIAL BID FORM

Honorable Mayor and City Council
City of Lake Jackson, Texas

July 21, 2025

Members of the City Council:

Reference is made to your Preliminary Official Statement and Notice of Sale and Bidding Instructions, dated July 15, 2025 of \$19,130,000* CITY OF LAKE JACKSON, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2025 (the "Bonds"), both of which constitute a part hereof.

For your legally issued Bonds, as described in said Notice of Sale and Bidding Instructions and Official Statement, we will pay you a price of \$ _____, (representing the principal amount of the Bonds, plus an original issue premium of \$ _____, less an underwriting discount of \$ _____):

Maturity April 15	Principal Amount*	Interest Rate	Maturity April 15	Principal Amount*	Interest Rate
2026	\$ 960,000		2036	\$ 955,000	
2027	960,000		2037	955,000	
2028	960,000		2038	955,000	
2029	960,000		2039	955,000	
2030	960,000		2040	955,000	
2031	960,000		2041	955,000	
2032	955,000		2042	955,000	
2033	955,000		2043	955,000	
2034	955,000		2044	955,000	
2035	955,000		2045	955,000	

Of the serial 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 a term 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 Bond maturity date shall mature in such year. The term Bonds created are as follows:

Maturity Date April 15	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 _____ %

The Initial Bond shall be registered in the name of _____, which will, upon payment for the Bonds, be cancelled by the Paying Agent/Registrar. The definitive Bonds will then be registered in the name of Cede & Co. (DTC's partnership nominee), under the Book-Entry-Only System.

A bank cashier's check or certified check of the _____ Bank, _____, in the amount of \$382,600, which represents our Good Faith Deposit (is attached hereto) or (has been made available to you prior to the opening of this bid) and is submitted in accordance with the terms as set forth in the Official Statement and Notice of Sale and Bidding Instructions.

We agree to accept delivery of the Bonds utilizing the Book-Entry-Only System through DTC and make payment for the Initial Certificate in immediately available funds in the Corporate Trust Division, The Bank of New York Mellon Trust Company, National Association, Pittsburgh, Pennsylvania, not later than 10:00 am CDT, on August 19, 2025, 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 purchaser of the Bonds to complete the DTC Eligibility Questionnaire.

* Preliminary, subject to change.

The undersigned agrees to complete, execute, and deliver to the City, 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 the City. To the extent that such "issue price" certificate is not adequate for inclusion in the City's federal tax certificate, the undersigned agrees to execute an issue price certificate as may be required by the City's Bond Counsel.

By executing this Official Bid Form, we represent and verify that, pursuant to Section 2271.002 of the Texas Government Code, as amended, at the time of execution and delivery of its bid and through the applicable statute of limitations, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that boycotts or will boycott Israel. The term "Boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Additionally, by executing this Official Bid Form, we represent and certify that, pursuant to Chapter 2252 of the Texas Government Code, at the time of execution and delivery of its bid and through the applicable statute of limitations, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ (i) that engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) listed by the Texas Comptroller of Public Accounts under Section 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code. The undersigned agrees to execute, at the request of the City, further written certifications as may be necessary or convenient for the City to establish compliance with these laws.

Additionally, by executing this Official Bid Form, we represent and verify that, pursuant to Chapter 2274 of the Texas Government Code, at the time of execution and delivery of its bid and through the applicable statute of limitations, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company² that (1) has or will have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association (2) will discriminate against a firearm entity or firearm trade association. The term "discriminates against a firearm entity or firearm trade association" as used in this paragraph has the meaning assigned to the term in Section 2274.001 of the Texas Government Code, as amended.

Additionally, by executing this Official Bid Form, we represent and verify that, pursuant to Chapter 2276 of the Texas Government Code, at the time of execution and delivery of its bid and through the applicable statute of limitations, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that boycotts or will boycott energy companies. The term "boycotts energy companies" and "boycott energy companies" as used in this paragraph have the meanings assigned to the term "boycott energy company" in Section 809.001 of the Texas Government Code, as amended. The undersigned agrees to execute, at the request of the City, further written certifications as may be necessary or convenient for the City to establish compliance with these laws.

Notwithstanding anything contained herein, the representations and covenants contained in the following sections of the Notice of Sale: "Compliance with Laws Prohibiting Contracts with Companies That Boycott Israel," "Compliance with Laws Prohibiting Contracts with Companies That Discriminate Against Firearm and Ammunition Industries," "Compliance with Laws Prohibiting Contracts with Companies That Boycott Certain Energy Companies," and "Standing Letter Requirement" shall survive closing until the statute of limitations has run. Liability for breach of any verification in such sections during such period shall not be liquidated or otherwise limited by any provision herein, notwithstanding anything in herein to the contrary.

In accordance with Texas Government Code Section 2252.908 (the "Interested Party Disclosure Act"), the City 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 City 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 City, upon notification of conditional verbal acceptance, the undersigned will complete an electronic form Disclosure Form through the Texas Ethics Commission's (the "TEC") electronic portal and the resulting certified Disclosure Form that is generated by the TEC's electronic portal will be printed, signed and sent by email to the City's financial advisor at joe.morrow@hilltopsecurities.com. The undersigned understands that the failure to provide the certified Disclosure Form will prohibit the City from providing final written award of the enclosed bid.

¹ "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

² "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

The Purchaser (mark one):

(i) Agrees to timely make a filing of a completed Disclosure Form with the City ☐

or

(ii) Hereby certifies that it is exempt from filing the Disclosure Form by virtue of being a publicly traded business entity or a wholly owned subsidiary of a publicly traded business entity ☐.

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

Respectfully submitted,

Syndicate Members:

Name of Initial Purchaser or Manager

Authorized Representative

Phone Number

Signature

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by the City of Lake Jackson, Texas, subject to and in accordance with the Notice of Sale and Bidding Instructions, this the 21st day of July 2025.

ATTEST

Mayor
City of Lake Jackson, Texas

City Secretary
City of Lake Jackson, Texas

FORM ISSUE PRICE CERTIFICATE – NOTICE OF SALE EXHIBIT

\$ _____

CITY OF LAKE JACKSON, TEXAS
LIMITED TAX BONDS, SERIES 2025
ISSUE PRICE CERTIFICATE

The undersigned, on behalf of _____ (the "**Purchaser**"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "**Bonds**") by the City of Lake Jackson, Texas (the "**City**").

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in Schedule A (the "**Expected Offering Prices**"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

If the City received fewer than three bids for the Bonds, complete paragraph 2.

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

3. Defined Terms.

(a) *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.

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

(c) *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 July 21, 2025.

Please choose the appropriate statement:

☐ Purchaser will not purchase bond insurance for the Bonds.

☐ Purchaser will purchase bond insurance from _____ (the "**Insurer**") for a fee/premium of \$ _____ (the "**Fee**"). To the best of the undersigned's knowledge, information and belief, based upon the facts available at this time and current market conditions, the Fee is a reasonable amount payable solely for the transfer of credit risk for the payment of debt service on the Bonds and does not include any amount payable for a cost other than such guarantee, e.g., a credit rating or legal fees. [Purchaser represents that the present value of the Fee for each obligation constituting the Bonds to which such Fee is properly allocated and which are insured thereby is less than the present value of the interest reasonably expected to be saved as a result of the insurance on each obligation constituting the Bonds. In determining present value for this purpose, the yield of the Bonds (determined with regard to the payment of the guarantee fee) has been used as the discount rate.] The Fee has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. No portion of the Fee is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such Fee that has not been earned.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's 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 City with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Winstead PC 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 8038G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds.

PURCHASER

By: _____

Name: _____

Dated: ISSUE DATE

ATTACHMENT I TO ISSUE PRICE CERTIFICATE

COPY OF WINNING BID FORM

[See Attached]

ISSUE PRICE CERTIFICATE

[THREE BID REQUIREMENT NOT SATISFIED – HOLD-THE-OFFERING-PRICE RULE]

I, the undersigned officer of _____ (the "Purchaser"), acting on behalf of itself and any underwriting syndicate, make this certification in connection with the Waterworks and Sewer System Revenue Bonds, Series 2025 (the "Bonds") issued by City of Lake Jackson, Texas (the "City").

1. I hereby certify as follows in good faith as of the date hereof:

- (a) I am the duly chosen, qualified and acting officer of the Purchaser for the office shown below my signature; as such, I am familiar with the facts herein certified and I am duly authorized to execute and deliver this certificate on behalf of the Purchaser and any underwriting syndicate. I am the officer of the Purchaser charged, along with other officers of the Purchaser and any underwriting syndicate, with responsibility for the Bonds.
- (b) For the Bonds maturing in _____, the first price at which at least 10% of each maturity was sold to the Public is the price for each such maturity set forth on the inside cover of the Official Statement prepared in connection with the Bonds (each, an "Actual Sales Price").
- (c) For the Bonds maturing in _____ (each, a "Held Maturity"), the Purchaser on or before the Sale Date offered for purchase each such maturity to the Public at the applicable initial offering price set forth on the inside cover of the Official Statement prepared in connection with the Bonds (each, an "Initial Offering Price"). A copy of the pricing wire evidencing the Initial Offering Prices is attached hereto as Attachment I. In connection with the offering of the Bonds, the Purchaser and each member of any underwriting syndicate agreed in writing that (i) during the Hold Period, it would neither offer nor sell any Held Maturity to any person at a price higher than the applicable Initial Offering Price (the "Hold-the-Offering-Price Rule") and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement would contain the agreement of each broker-dealer who is a party to the retail distribution agreement, that, during the Hold Period, such party would comply with the Hold-the-Offering-Price Rule. In accordance with such agreements, no Underwriter offered or sold any of the Held Maturities at a price higher than the applicable Initial Offering Price for such Held Maturity during the Hold Period.
- (d) The aggregate of the Actual Sales Prices and the Initial Offering Prices is \$ _____. The Bonds were sold with pre-issuance accrued interest in the amount of \$ _____. The sum of these two amounts is \$ _____.

2. Please choose the appropriate statement:

☐ The Purchaser will not purchase bond insurance for the Bonds.

☐ The Purchaser will purchase bond insurance from _____ (the "Insurer") for a fee/premium of \$ _____ (the "Fee"). The Fee is a reasonable amount payable solely for the transfer of credit risk for the payment of debt service on the Bonds and does not include any amount payable for a cost other than such guarantee, e.g., a credit rating or legal fees. The Purchaser represents that the present value of the Fee for each obligation constituting the Bonds to which such Fee is properly allocated and which are insured thereby is less than the present value of the interest reasonably expected to be saved as a result of the insurance on each obligation constituting the Bonds. The Fee has been paid to a person who is not exempt from federal income taxation and who is not a user or related to the user of any proceeds of the Bonds. In determining present value for this purpose, the yield of the Bonds (determined with regard to the payment of the guarantee fee) has been used as the discount rate. No portion of the Fee is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such Fee that has not been earned. The Purchaser will also be responsible for payment of any rating fees on the Bonds, if and as required by the Insurer to be obtained in connection with the purchase of insurance.

3. For purposes of this Issue Price Certificate, the following definitions apply:

- (a) "Hold Period" means, with respect to a Held Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the Underwriters have sold at least 10% of such Held Maturity to the Public at a price no higher than the applicable Initial Offering Price.
- (b) "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.

- (c) "Related Party" means any two or more persons who are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interest or profits interest of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).
- (d) "Sale Date" means the first day on which there is a binding contract in writing for the sale or exchange of the Bonds. The Sale Date of the Bonds is July 21, 2025.
- (e) "Underwriter" means (i) any person that agrees pursuant to a written contract with the City (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the 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 definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's 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 City with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Winstead PC 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 Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the City from time to time relating to the Bonds.

EXECUTED as of this 21st day of July 2025.

[NAME OF PURCHASER OR MANAGER OF PURCHASING
SYNDICATE]

By: _____

Name: _____

Title: _____

ATTACHMENT I TO ISSUE PRICE CERTIFICATE

COPY OF PRICING WIRE

[See Attached]