

**CITY OF MINEOLA, TEXAS**

(A Type A General Law Municipality of the State of Texas located in Wood County)

**\$2,920,000**

**TAX NOTES, SERIES 2023**

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**PURCHASE AGREEMENT**

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July 10, 2023

Honorable Mayor and City Council  
City of Mineola, Texas  
300 Greenville Highway  
Mineola, Texas 75773

Ladies and Gentlemen:

The undersigned, D.A. Davidson & Co. (the “*Underwriter*”), acting on its own behalf and not acting as a fiduciary or agent for the City of Mineola, Texas (the “*Issuer*”), offers to enter into the following agreement (this “*Agreement*”) with the Issuer which, upon the Issuer’s written acceptance of this offer, will be binding upon the Issuer and upon the Underwriter. This offer is made subject to the Issuer’s written acceptance hereof on or before 10:00 p.m., Central Time, on July 10, 2023, and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered by the Underwriter to the Issuer at any time prior to the acceptance hereof by the Issuer. Terms not otherwise defined in this Agreement shall have the same meanings set forth in the Ordinance (as defined herein) or in the Official Statement (as defined herein).

**1. Purchase and Sale of the Obligations.** Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all, but not less than all, of the Issuer’s \$2,920,000 Tax Notes, Series 2023 (the “*Notes*”). The Issuer acknowledges and agrees that (i) the purchase and sale of the Notes pursuant to this Agreement is an arm’s-length commercial transaction between the Issuer and the Underwriter, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent or fiduciary of the Issuer, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters) and the Underwriter has no obligation to the Issuer with respect to the offering described herein except the obligations expressly set forth in this Agreement, (iv) the Underwriter has provided to the Issuer prior disclosures under Rule G-17 of the MSBR, which have been received by the Issuer, (v)

the Issuer has consulted its own legal, financial, and other advisors to the extent it has deemed appropriate, and (vi) the Underwriter has financial and other interests that differ from those of the Issuer.

The principal amount of the Notes to be issued, the dated date therefor, and the maturities, redemption provisions and interest rates per annum are set forth in Schedule I hereto. The Notes shall be as described in, and shall be issued and secured under and pursuant to the provisions of the ordinance authorizing the issuance of the Notes adopted by the City Council of the Issuer (the "*City Council*") on July 10, 2023 (the "*Ordinance*").

The purchase price for the Notes shall be \$3,075,810.72 (representing the par amount of the Notes, plus an original issue reoffering premium of \$182,045.80, and less an underwriting discount of \$26,235.08) plus accrued interest on the Notes, calculated on the basis of a 360-day year of twelve 30-day months, from the dated date of the Notes to the date of the Closing (as hereinafter defined).

The Underwriter has delivered to the Issuer the Underwriter's good faith deposit in the amount of \$30,000.00 (the "*Good Faith Deposit*") in the form of (i) a corporate check payable to the order of the Issuer or (ii) a wire transfer of immediately available funds to an account specified by the Issuer. In the event the Issuer accepts this offer, the Good Faith Deposit shall be held by the Issuer until the time of Closing (as defined herein), at which time the Good Faith Deposit shall be returned to the Underwriter or applied as a credit against the purchase price of the Notes, as the Issuer and the Underwriter shall mutually agree. In the event that the Issuer does not accept this Agreement, the Good Faith Deposit shall be immediately returned to the Underwriter. Should the Issuer fail to deliver the Notes at the Closing, or should the Issuer be unable to satisfy the conditions of the obligations of the Underwriter to purchase, accept delivery of and pay for the Notes, as set forth in this Agreement (unless waived by the Underwriter), or should such obligations of the Underwriter be terminated for any reason permitted by this Agreement, the Good Faith Deposit shall immediately be returned to the Underwriter. In the event that the Underwriter fails (other than for a reason permitted hereunder) to purchase, accept delivery of and pay for the Notes at the Closing as herein provided, the Good Faith Deposit shall be retained by the Issuer as and for fully liquidated damages for such failure of the Underwriter, and, except as set forth in Sections 8 and 10 hereof, no party shall have any further rights against the other hereunder. The Underwriter and the Issuer understand that in such event the Issuer's actual damages may be greater or may be less than such amount. Accordingly, the Underwriter hereby waives any right to claim that the Issuer's actual damages are less than such amount, and the Issuer's acceptance of this offer shall constitute a waiver of any right the Issuer may have to additional damages from the Underwriter. In the event the Good Faith Deposit is provided in the form of a check, the Underwriter hereby agrees not to stop or cause payment on such check to be stopped unless the Issuer has breached the terms of this Agreement and the Underwriter has exercised its right to terminate this Agreement under Section 7 hereof.

Prior to the execution of this Agreement by the Issuer and the Underwriter, the Underwriter has delivered a Certificate of Interested Parties Form 1295, signed by an authorized agent of the Underwriter (the "*Form 1295*"). The Underwriter and the Issuer

understand that neither the Issuer nor its consultants have the ability to verify the information included in the Form 1295, and neither the Issuer nor its consultants have an obligation, nor have undertaken any responsibility, for advising the Underwriter with respect to the proper completion of the Form 1295 other than, with respect to the Issuer, providing the identification number required for the completion of the Form 1295.

**2. Establishment of Issue Price.**

(a) The Underwriter agrees to make a bona fide public offering of all of the Notes and will, at or before Closing, execute and deliver to Norton Rose Fulbright US LLP ("*Bond Counsel*"), an issue price certificate for the Notes, prepared by Bond Counsel, and in accordance with this Section (the "*Issue Price Certificate*").

(b) Notwithstanding any provision of this Agreement to the contrary, the following provisions related to the establishment of the issue price of the Notes apply:

(i) "Public" means any person other than an Issue Price Underwriter or a Related Party.

(ii) "Issue Price Underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes 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 Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of Notes to the public).

(iii) A purchaser of any of the Notes is a "Related Party" to an Issue Price Underwriter if the Issue Price Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(iv) "Sale Date" means the date of execution of this Agreement by all parties.

(c) The Underwriter agrees to assist the Issuer in establishing the issue price of Notes and shall execute and deliver to the Issuer at Closing the Issue Price

Certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the Initial Offering Price (as hereinafter defined) or prices to the Public of the Notes. All actions to be taken by the Issuer under this section to establish the issue price of Notes may be taken on behalf of the Issuer by the Issuer's municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer's municipal advisor.

(d) The Issuer will treat the first price at which 10% of each maturity of Notes (the "*10% Test*") is sold to the Public as of the Sale Date as the issue price of that maturity. At or promptly after the execution of this Agreement, the Underwriter shall report to the Issuer the price or prices at which the Underwriter has sold to the Public each maturity of Notes. Those maturities of Notes that do not satisfy the 10% Test as of the Sale Date will be identified in the Issue Price Certificate and will be subject to the Hold-The-Offering-Price Rule (as hereinafter defined). For purposes of this Section, if Notes mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Notes.

(e) The Underwriter confirms that it has offered the Notes to the public on or before the date of this Agreement at the offering price or prices (the "*Initial Offering Price*"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. The Issue Price Certificate will set forth the maturities, if any, of the Notes for which the 10% Test has not been satisfied as of the Sale Date (the "*Held Maturities*"). The Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply to the Held Maturities, which will allow the Issuer to treat the Initial Offering Price to the Public of each such maturity as of the Sale Date as the issue price of that maturity (the "*Hold-The-Offering-Price Rule*"). So long as the Hold-The-Offering-Price Rule remains applicable to any maturity of the Notes, the Underwriter will neither offer nor sell unsold Notes of that maturity to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the Sale Date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price to the Public.

The Underwriter shall promptly advise the Issuer when the Underwriter has sold 10% of that maturity of the Notes to the public at a price that is no higher than the Initial Offering Price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

The Issuer acknowledges that in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of Notes to the Public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the Hold-The-Offering-Price Rule, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that the Underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of Notes to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its 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 Issuer further acknowledges that the Underwriter shall not be liable for the failure 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 to comply with the requirements for establishing issue price of Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to Notes.

(f) The Underwriter confirms that:

(i) any selling group agreement and each third-party distribution agreement (to which the Underwriter is a party) relating to the initial sale of Notes to the Public, together with related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to any such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Notes of each maturity allotted to it until it is notified by the Underwriter that either the 10% Test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the Public, (B) comply with the Hold-The-Offering-Price Rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires; (C) to promptly notify the Underwriter of any sales of Notes that, to its knowledge, are made to a purchaser who is a Related Party to an underwriter participating in the initial sale of the Notes to the Public, and (D) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the Public.

(ii) Any agreement relating to the initial sale of Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Issue Price Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of Notes to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Notes of each maturity allotted to it until it is notified by the Underwriter that either the 10% Test has been

satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the Public and (B) comply with the Hold-The-Offering-Price Rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(g) The Underwriter acknowledges that sales of any of Notes to any person that is a Related Party to an Issue Price Underwriter shall not constitute sales to the Public for purposes of this section.

### **3. The Official Statement.**

(a) The Issuer previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Official Statement dated June 30, 2023 (the "*Preliminary Official Statement*") in a "designated electronic format," as defined in Rule G-32 ("*Rule G-32*") of the Municipal Securities Rulemaking Board (the "*MSRB*"). The Issuer will prepare, or cause to be prepared, a final Official Statement relating to the Notes, which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission's Rule 15c2-12, as amended (the "*Rule*"), (iii) in a "designated electronic format" and (iv) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriter before the execution hereof. Such final Official Statement, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Notes, is herein referred to as the "*Official Statement*." Until the Official Statement has been prepared and is available for distribution, the Issuer shall provide to the Underwriter sufficient quantities (which may be in electronic format) of the Preliminary Official Statement as the Underwriter deems reasonably necessary to satisfy the obligation of the Underwriter under the Rule with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(b) The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale and distribution of the Notes. The Issuer hereby represents and warrants that the Preliminary Official Statement has been deemed "final" by the Issuer as of its date, except for the omission of such information which is dependent upon the final pricing of the Notes for completion, all as permitted to be excluded by Section (b)(1) of the Rule.

(c) The Issuer hereby authorizes the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Notes. The Issuer consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Notes. The Issuer shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the Issuer's acceptance of this Agreement (but, in any event, not later than within seven (7) business days after the Issuer's acceptance of this Agreement and in

sufficient time to accompany any confirmation that requests payment from any customer) the Official Statement which is complete as of the date of its delivery to the Underwriter. The Issuer shall provide the Official Statement, or cause the Official Statement to be provided, (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the MSRB.

(d) If, after the date of this Agreement to and including the date the Underwriter is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than twenty-five (25) days after the “end of the underwriting period” for the Notes), the Issuer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein, in light of the circumstances under which they were made, or necessary to make the statements therein not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the Issuer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as the Underwriter may from time to time reasonably request), and if, in the reasonable opinion of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Issuer will forthwith prepare and furnish, at the Issuer’s own expense (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, in light of the circumstances under which they were made, or necessary to make the statements therein not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the Issuer in accordance herewith, the Issuer makes no representations with respect to the descriptions in the Preliminary Official Statement or the Official Statement of The Depository Trust Company, New York, New York (“DTC”). If such notification shall be subsequent to the Closing, the Issuer shall furnish such legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. The Issuer shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided (i) in a “designated electronic format” consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the MSRB.

(e) The Underwriter hereby agrees to timely file the Official Statement with the MSRB through its Electronic Municipal Market Access (“EMMA”) system

on or before the date of Closing. Unless otherwise notified in writing by the Underwriter, the Issuer can assume that the “end of the underwriting period” for purposes of the Rule is the date of the Closing.

**4. Representations, Warranties, and Covenants of the Issuer.** The Issuer hereby represents and warrants to and covenants with the Underwriter that:

(a) The Issuer is a general law city duly created and existing under the laws of the State of Texas (the “*State*”), including specifically Article XI, Section 4 of the State Constitution, and has full legal right, power and authority, and at the date of the Closing will have full legal right, power and authority, under the laws of the State, including particularly Chapter 1431, as amended, Texas Government Code (the “*Act*”); and the Ordinance: (i) to enter into, execute and deliver this Agreement, the Ordinance and the Continuing Disclosure Undertaking (as defined in Section 6(i)(3) hereof), and all documents required hereunder and thereunder to be executed and delivered by the Issuer (this Agreement, the Ordinance, and the Continuing Disclosure Undertaking are hereinafter referred to as the “*Issuer Documents*”), (ii) to sell, issue and deliver the Notes to the Underwriter as provided herein, and (iii) to carry out and consummate the transactions described herein or in the Issuer Documents and the Official Statement; and the Issuer has complied, and will at the Closing be in compliance in all material respects, with the terms of the Act and the Issuer Documents as they pertain to such transactions;

(b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized all necessary action to be taken by it for (i) the adoption of the Ordinance and the issuance and sale of the Notes, (ii) the approval, execution and delivery of, and the performance by the Issuer of the obligations on its part, contained in the Notes and the Issuer Documents and (iii) the consummation by it of all other transactions described in the Official Statement and the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Issuer in order to carry out, give effect to, and consummate the transactions described herein and in the Official Statement;

(c) The Issuer Documents constitute legal, valid and binding obligations of the Issuer subject to governmental immunity, bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors’ rights or by general principles of equity which permit the exercise of judicial discretion; the Notes when issued, delivered and paid for, in accordance with the Ordinance and this Agreement, will constitute legal, valid and binding obligations of the Issuer entitled to the benefits of the Ordinance and enforceable in accordance with their terms by mandamus or other relief permitted by law, subject to governmental immunity, bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors’ rights, and subject to general principles of equity which permit the exercise of judicial discretion; and upon the issuance, authentication and delivery of the Notes as aforesaid, the Ordinance will provide



for the payment of the Certificates by the levy, assessment and collection of an ad valorem tax, within the legal limitations imposed by law upon all taxable property within the boundaries of the Issuer, sufficient to pay the principal of and interest on the Notes when due, all as described in the Ordinance;

(d) On the date hereof and on the date of Closing, the Issuer is not, to its knowledge, in material breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree that would have a material adverse effect upon the operations or financial condition of the Issuer; or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing; and the execution and delivery of the Notes and/or the Issuer Documents and the adoption of the Ordinance and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a material breach of or default in any material respect under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is otherwise subject, or under the terms of any such law, regulation or instrument, except as provided by the Notes and the Ordinance;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Issuer of its obligations under the Issuer Documents and the Notes have been duly obtained or will be obtained prior to the Closing except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Notes;

(f) The Notes and the Ordinance conform to the descriptions thereof contained in the Official Statement under the caption "THE NOTES;" the proceeds of the sale of the Notes will be applied generally as described in the Official Statement under the subcaption "THE NOTES –Use of Note Proceeds;" and the Continuing Disclosure Undertaking conforms to the description thereof contained in the Official Statement under the caption "CONTINUING DISCLOSURE OF INFORMATION";

(g) Except as may otherwise be described in the Official Statement under the caption "CONTINUING DISCLOSURE OF INFORMATION – Compliance with Prior Agreements", during the last five (5) years the Issuer has complied in all material respects with its previous Continuing Disclosure Undertakings made by it in accordance with the Rule;

(h) Except as may be disclosed in the Official Statement, on the date hereof and on the date of Closing, there is no litigation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the knowledge of the Issuer, threatened against the Issuer, affecting the existence of the Issuer or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Notes or the levy and collection of ad valorem taxes pledged to the payment of principal of and interest on the Notes or in any way contesting or affecting the validity or enforceability of the Notes or the Issuer Documents, or contesting the exclusion from gross income of interest on the Notes for federal income tax purposes, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority for the issuance of the Notes, the adoption of the Ordinance or the execution and delivery of the Issuer Documents, nor, to the knowledge of the Issuer, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Notes or the Issuer Documents; provided that for the purpose of this Agreement and any certificate delivered by the Issuer in accordance with this Agreement, the Issuer makes no representations with respect to the descriptions in the Official Statement of DTC or its book-entry-only system;

(i) As of the date thereof, the Preliminary Official Statement did not contain any 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 light of the circumstances under which they were made, not misleading;

(j) At the time of the Issuer's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 3 of this Agreement) at all times subsequent thereto during the period up to and including twenty-five (25) days subsequent to the "end of the underwriting period," the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(k) If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 3 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including twenty-five (25) days subsequent to the "end of the underwriting period", the Official Statement, as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(l) The Issuer will apply, or cause to be applied, the proceeds from the sale of the Notes as provided in and subject to all of the terms and provisions of the Ordinance and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Notes;

(m) The Issuer will furnish such information and execute such instruments and take such action in cooperation with the Underwriter, at the sole expense of the Underwriter, as the Underwriter may reasonably request (1) to (i) qualify the Notes for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (ii) determine the eligibility of the Notes for investment under the laws of such states and other jurisdictions and (2) to continue such qualifications in effect so long as required for the initial distribution of the Notes (provided, however, that the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the Issuer of any notification with respect to the suspension of the qualification of the Notes for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose;

(n) The financial statements of, and other financial information regarding, the Issuer in the Official Statement fairly present the financial position, results of operations and condition of the Issuer as of the dates and for the periods therein set forth; and there has been no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Issuer since the dates of such statements and information;

(o) Except as disclosed in the Official Statement, the Issuer is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the Issuer, would have a materially adverse effect on the financial condition or operations of the Issuer;

(p) Prior to the Closing, the Issuer will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by any of the ad valorem tax revenues which will secure the Notes, except as may be incurred in the ordinary course of business, without the prior written approval of the Underwriter, such approval not to be unreasonably withheld;

(q) The Issuer, to the extent heretofore requested by the Underwriter in writing, has delivered to the Underwriter true, correct, complete, and legible copies of all information, applications, reports, or other documents of any nature whatsoever submitted to any rating agency for the purpose of obtaining a rating for the Notes and, in each instance, true, correct, complete, and legible copies of all correspondence or other communications relating thereto;

(r) Any certificate, signed by any official of the Issuer authorized to do so in connection with the transactions described in this Agreement, shall be deemed a representation and warranty by the Issuer to the Underwriter as to the statements made therein; and

(s) The Issuer covenants that between the date hereof and the date of the Closing it will take no action which will cause the representations and warranties made in this Section to be untrue as of the date of the Closing.

By delivering the Official Statement to the Underwriter, the Issuer shall be deemed to have reaffirmed, with respect to such Official Statement, the representations, warranties and covenants set forth above with respect to the Preliminary Official Statement.

## **5. Closing.**

(a) At 10:00 a.m., Central Time, on August 8, 2023, or at such other time and date as shall have been mutually agreed upon by the Issuer and the Underwriter (the "*Closing*"), the Issuer will, subject to the terms and conditions hereof, deliver the Notes to the Underwriter, duly executed and authenticated, together with the other documents hereinafter mentioned and the Underwriter will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Notes, as set forth in Section 1 of this Agreement, by a wire transfer, payable in immediately available funds, to the order of the Issuer. Payment for the Notes as aforesaid shall be made at the offices of U.S. Bank Trust Company, National Association, Dallas, Texas (the "*Paying Agent/Registrar*"), or such other place as shall have been mutually agreed upon by the Issuer and the Underwriter. The Initial Notes shall be registered in the name of the Underwriter.

(b) Delivery of the Notes in definitive form shall be made through DTC, utilizing the book-entry only form of issuance, and the Issuer, if it has not done so previously, agrees to enter into such agreements, including a "Letter of Representations," as may be required to allow for the use of such book-entry only system. The definitive Notes shall be delivered in fully registered form bearing CUSIP numbers without coupons with one certificate for each maturity of the Notes, registered in the name of Cede & Co. and shall be made available at the offices of DTC (or, if the Notes are to be held in safekeeping for DTC by the Paying Agent/Registrar pursuant to DTC's FAST system, at the office of the Paying Agent/Registrar) to the Underwriter at least one (1) business day before the Closing for purposes of inspection.

**6. Closing Conditions.** The Underwriter has entered into this Agreement in reliance upon the representations, warranties and agreements of the Issuer contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this

Agreement to purchase, to accept delivery of and to pay for the Notes shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Issuer of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Underwriter, unless waived by the Underwriter:

(a) The representations and warranties of the Issuer contained herein shall be true, complete and correct in all material respects on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) The Issuer shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing;

(c) At the time of the Closing, (i) the Issuer Documents and the Notes shall be in full force and effect in the form heretofore approved by the Underwriter and shall not have been amended, modified or supplemented, except as may be required by the Attorney General of Texas, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter; (ii) the net proceeds of the sale of the Notes and any funds to be provided by the Issuer shall be deposited and applied as described in the Official Statement and in the Ordinance; and (iii) all actions of the Issuer required to be taken by the Issuer shall be performed in order for Bond Counsel and counsel to the Underwriter to deliver their respective opinions referred to hereafter;

(d) At the time of the Closing, all official action of the Issuer relating to the Notes and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented, except in any such case as may have been agreed to by the Underwriter;

(e) At or prior to the Closing, the Ordinance shall have been duly adopted by the governing body of the Issuer and the Issuer shall have duly executed and delivered and the Paying Agent/Registrar shall have duly authenticated the definitive Notes;

(f) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in the revenues or operations of the Issuer, from that set forth in the Official Statement that, in the reasonable judgment of the Underwriter, is material and adverse and that makes it, in the reasonable judgment of the Underwriter, impracticable to market the Notes on the terms and in the manner described in the Official Statement;

(g) The Issuer shall not currently be in default with respect to the payment of principal or interest when due on any of its outstanding obligations for borrowed money;

(h) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transactions described in this Agreement shall be reasonably satisfactory in legal form and effect to the Underwriter;

(i) At or prior to the Closing, the Underwriter or counsel to the Underwriter shall have received a copy of each of the following documents:

(1) the Official Statement, and each supplement or amendment thereto, if any, as may have been agreed to by the Underwriter;

(2) a copy of the Ordinance, certified by the City Secretary of the City as having been duly adopted and in full force and effect, with such supplements or amendments as may have been agreed to by the Underwriter or counsel to the Underwriter;

(3) the undertaking of the Issuer in the Ordinance which satisfies the requirements of section (b)(5)(i) of the Rule (the "*Continuing Disclosure Undertaking*");

(4) the approving opinion of Bond Counsel with respect to the Notes, in substantially the form attached to the Official Statement;

(5) a supplemental opinion of Bond Counsel addressed to the Issuer and the Underwriter, substantially to the effect that:

(i) the Ordinance has been duly adopted by the Issuer and is in full force and effect;

(ii) the Notes are exempt securities that do not require registration under the Securities Act of 1933, as amended (the "*1933 Act*"), and the Trust Indenture Act of 1939, as amended (the "*Trust Indenture Act*"), and it is not necessary, in connection with the offering and sale of the Notes, to register the Notes under the 1933 Act or to qualify the Ordinance under the Trust Indenture Act; and

(iii) such firm has reviewed the information under the captions "THE NOTES" (except under the subcaptions "Use of Note Proceeds", "Payment Record", "Defaults and Remedies," and "Sources and Uses of Funds"), "REGISTRATION, TRANSFER AND EXCHANGE," "TAX MATTERS," "CONTINUING DISCLOSURE OF INFORMATION, (except under the subcaption "Compliance with Prior Agreements", "LEGAL MATTERS", and the subcaptions "Registration and Qualification of Notes for Sale" and "Legal

Investments and Eligibility to Secure Public Funds in Texas" under the caption "OTHER PERTINENT INFORMATION" in the Official Statement, and such firm is of the opinion that the information relating to the Notes and the legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Notes, such information conforms to the Ordinance;

(6) an opinion, dated the date of the Closing and addressed to the Underwriter, of counsel to the Underwriter, to the effect that:

(i) the Notes are exempt securities under the 1933 Act and the Trust Indenture Act and it is not necessary, in connection with the offering and sale of the Notes, to register the Notes under the 1933 Act and the Ordinance need not be qualified under the Trust Indenture Act; and

(ii) based upon their participation in the preparation of the Official Statement as counsel for the Underwriter and their participation at conferences at which the Official Statement was discussed, but without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained therein, such counsel has no reason to believe that the Official Statement, as of its date and as of the date of the Closing, contained or contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for any financial, forecast, technical and statistical statements and data included in the Official Statement and the information regarding DTC and its book-entry system, as to which no view is expressed);

(7) a certificate, dated the date of Closing, of an appropriate official of the Issuer to the effect that (i) the representations and warranties of the Issuer contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (ii) except as may otherwise be disclosed in the Official Statement, no litigation, proceeding or tax challenge against the Issuer is pending or, to the best of his or her knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the councilmembers, officers or officials of the Issuer to hold and exercise their respective positions, (b) contest the due organization and valid existence of the Issuer, (c) contest the validity, due authorization and execution of the Notes or the Issuer Documents or (d) attempt to limit, enjoin or otherwise restrict or prevent the Issuer from functioning and collecting ad valorem taxes, including for payments on the Notes, pursuant to the Ordinance, or the levy or collection of the ad valorem taxes pledged to pay the principal of

and interest on the Notes, or the pledge thereof; (iii) all official action of the Issuer relating to the Official Statement, the Notes and the Issuer Documents have been duly taken by the Issuer, are in full force and effect and have not been modified, amended, supplemented or repealed; (iv) to his or her knowledge, no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading in any material respect as of the time of the Closing, and the information contained in the Official Statement is correct in all material respects and, as of the date of the Official Statement did not, and as of the date of the Closing, does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (v) there has not been any material adverse change in the financial condition of the Issuer since September 30, 2021, the latest date as of which audited financial information is available;

(8) a certificate of the Issuer, dated the date of the Closing, of an appropriate official of the Issuer in form and substance reasonably satisfactory to Bond Counsel and counsel to the Underwriter setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and any applicable regulations (whether final, temporary or proposed) issued pursuant to the Code;

(9) the approving opinions of the Attorney General of the State of Texas and the registration certificate of the Comptroller of Public Accounts of the State of Texas in respect of the Notes;

(10) any other certificates and opinions required by the Ordinance for the issuance thereunder of the Notes;

(11) Evidence satisfactory to the Underwriter of a rating assigned to the Notes of “A+” by S&P Global Ratings, a division of S&P Global Ratings Inc., and that such rating is in effect as of the date of the Closing; and

(12) such additional legal opinions, certificates, instruments and other documents as the Underwriter, Bond Counsel, or counsel to the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the Issuer’s representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or



satisfaction by the Issuer on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the Issuer.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Underwriter.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Notes contained in this Agreement, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Notes shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter nor the Issuer shall be under any further obligation hereunder, except that the respective obligations of the Issuer and the Underwriter set forth in Sections 1 (with respect to the Good Faith Deposit), 4 and 8 hereof shall continue in full force and effect.

**7. Termination.** The Underwriter shall have the right to cancel its obligation to purchase the Notes if (as evidenced by a written notice to the Issuer terminating the obligation of the Underwriter to accept delivery of and pay for the Notes), between the date of this Agreement and the Closing, the market price or marketability of the Notes, or the ability of the Underwriter to enforce contracts for the sale of Notes, shall be materially adversely affected, in the reasonable judgment of the Underwriter, by the occurrence of any one of the following events:

(a) legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or any member of the Congress or favorably reported for passage to either Chamber of the Congress by any committee of such Chamber to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Notes or the interest on the Notes as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions described herein;

(b) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities

and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Notes, including any or all underlying arrangements, are not exempt from registration under or other requirements of the 1933 Act or the Securities Exchange Act of 1934, as amended and then in effect, or that the Ordinance is not exempt from qualification under or other requirements of the Trust Indenture Act, or that the issuance, offering, or sale of obligations of the general character of the Notes, including any or all underlying arrangements, as described herein or in the Official Statement or otherwise, is or would be in violation of any provision of the federal securities laws as amended and then in effect;

(c) any state blue sky or securities commission or other governmental agency or body in any state in which more than 15% of the Notes have been sold shall have withheld registration, exemption or clearance of the offering of the Notes as described herein, or issued a stop order or similar ruling relating thereto;

(d) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so or a material disruption in commercial banking or securities settlement or clearances services shall have occurred;

(e) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Notes or as to obligations of the general character of the Notes, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter;

(f) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the Issuer, its property, income, securities (or interest thereon), or the validity or enforceability of the assessments or the levy of ad valorem taxes pledged to pay the principal of and interest on the Notes;

(g) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits 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;

(h) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Issuer, except for changes which the Official Statement discloses are expected to occur;

(i) there shall have occurred (whether or not foreseeable) any (i) new material outbreak of hostilities involving the United States (including, without limitation, an act of terrorism), including, but not limited to, an escalation of hostilities that existed prior to the date hereof, or (ii) new material national or international calamity or crisis including, but not limited to, an escalation in the scope or magnitude of any pandemic or natural disaster, or (iii) material financial crisis or adverse change in the financial or economic conditions affecting the United States government or the securities markets in the United States, provided, however that such circumstance or event is not of the general type existing on the date hereof;

(j) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement;

(k) there shall have occurred or any published notice shall have been given of any intended review for possible downgrade, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Issuer's obligations that are secured in a like manner as the Notes (including the ratings to be accorded to the Notes); and

(l) the purchase of and payment for the Notes by the Underwriter, or the resale of the Notes by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; provided, however, that such prohibition occurs after the date of this Agreement and is not caused by the intentional action, or failure to act, of the Underwriter.

With respect to the conditions described in subparagraphs (e) and (l) above, the Underwriter is not aware of any current law, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

## **8. Expenses.**

(a) The Underwriter shall be under no obligation to pay, and the Issuer shall pay or reimburse, if applicable, any expenses incident to the performance of the Issuer's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Notes, (ii) the fees and disbursements of Bond Counsel; (iii) the fees and disbursements of the Financial Advisor to the Issuer; (iv) the fees and disbursements of any other engineers, accountants, and other experts, consultants or advisers retained by the Issuer; (v) the fees for bond ratings and municipal bond insurance, if any; (vi) the costs of preparing, printing and

mailing the Preliminary Official Statement and the Official Statement; (vii) the fees and expenses of the Paying Agent/Registrar; (viii) advertising expenses (except any advertising expenses of the Underwriter as set forth below); (ix) the out-of-pocket, miscellaneous and closing expenses, including the cost of travel, of the officers and councilmembers of the Issuer; and (x) any other expenses mutually agreed to by the Issuer and the Underwriter to be reasonably considered expenses of the Issuer which are incident to the transactions described herein.

(b) The Underwriter shall pay (i) the cost of preparation and printing of this Agreement, the Blue Sky Survey and Legal Investment Memorandum, if any; advertising expenses in connection with the public offering of the Notes; and (ii) all other expenses incurred by them in connection with the public offering of the Notes, including the fees and disbursements of counsel retained by the Underwriter.

(c) The Issuer acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Notes.

(d) The Issuer acknowledges that the Underwriter will pay from their expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a non-profit corporation whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities.

**9. Notices.** Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing to City of Mineola, 300 Greenville Highway, Mineola, Texas 75773, Attention: City Manager; and any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to D.A. Davidson & Co., 14241 Dallas Parkway, Suite 665, Dallas, Texas 75254, Attention: Steve Perry.

**10. Parties in Interest.** This Agreement as heretofore specified shall constitute the entire agreement between the Issuer and the Underwriter and is made solely for the benefit of the Issuer and the Underwriter (including successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. This Agreement may not be assigned by the Issuer. All of the Issuer's representations and warranties contained in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of any of the Underwriter; (ii) delivery of and payment for the Notes pursuant to this Agreement; and (iii) any termination of this Agreement.

**11. Effectiveness.** This Agreement shall become effective upon the acceptance hereof by the Issuer and shall be valid and enforceable in accordance with its terms at the time of such acceptance.

12. **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

13. **Severability.** If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision or provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

14. **Business Day.** For purposes of this Agreement, “business day” means any day on which the New York Stock Exchange is open for trading.

15. **Section Headings.** Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

16. **Counterparts.** This Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

17. **No Personal Liability.** None of the members of the City Council, nor any officer, agent, or employee of the Issuer, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement or any other document relating to the Notes, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement or any other document relating to the Notes.

18. **Entire Agreement.** This Agreement represents the entire agreement between the Issuer and the Underwriter with respect to the preparation of the Preliminary Official Statement and the Official Statement, the conduct of the offering, and the purchase and sale of the Notes.

19. **No Boycott of Israel.** To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Underwriter 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. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, ‘boycott Israel,’ a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended

to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

**20. No Terrorist Organization.** The Underwriter represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to enable the Issuer to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal or Texas law and excludes the Underwriter 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.

**21. No Discrimination Against Fossil-Fuel Companies.** To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Underwriter 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. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) of this Section 21.

**22. No Discrimination Against Firearm Entities and Firearm Trade Associations.** To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Underwriter 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. The foregoing verification is made solely to enable the

Issuer to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

(a) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(b) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(c) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

**23. Affiliate.** As used in Sections 19 through 22, the Underwriter understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Underwriter within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

**24. Attorney General Standing Letter.** The Underwriter represents that it has, or will have prior to the date of Closing, on file with the Texas Attorney General a standing letter addressing the representations and verifications contained in Sections 19 through 22 of this Agreement in a form accepted by the Texas Attorney General. In addition, if the Underwriter or the parent company, a wholly- or majority-owned subsidiary or another affiliate of the Underwriter receives or has received a letter from the Texas Comptroller of Public Accounts pursuant to Chapter 809, Texas Government Code seeking written verification that it does not boycott energy companies (a “*Comptroller Request Letter*”), the Underwriter shall promptly notify the Issuer and Bond Counsel (if it has not already done so) and provide to the Issuer or Bond Counsel, two business days prior to Closing and additionally upon request by the Issuer or Bond Counsel, written verification to the effect that its standing letter described in the preceding sentence remains in effect and may be relied upon by the Issuer and the Texas Attorney General (the “*Bringdown Verification*”). The Bringdown Verification shall also confirm that the Underwriter (or the parent company, a wholly- or majority-owned subsidiary or other affiliate of the Underwriter that received the Comptroller Request Letter) intends to timely respond or has timely responded to the Comptroller Request Letter. The Bringdown Verification may be in the form of an e-mail.

[*Signature Page Follows.*]



If you agree with the foregoing, please sign the enclosed counterpart of this Agreement and return it to the Underwriter. This Agreement shall become a binding agreement between the Issuer and the Underwriter when at least the counterpart of this Agreement shall have been signed by or on behalf of each of the parties hereto.

Respectfully submitted,

D.A. DAVIDSON & CO.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED at \_\_\_\_\_ [a.m./p.m.] central time this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

CITY OF MINEOLA, TEXAS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Schedule I** – Schedule of Terms  
**Exhibit A** – Form of Issue Price Certificate

**SCHEDULE I**  
**\$2,920,000**  
**City of Mineola, Texas**  
**Tax Notes, Series 2023<sup>(a)</sup>**

Interest Accrues From: Dated Date (August 1, 2023)

<u>Maturity</u> <u>(Aug. 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield<sup>(b)</sup></u>
2024	\$360,000	5.00%	3.63%
2025	375,000	5.00%	3.53%
2026	395,000	5.00%	3.42%
2027	415,000	5.00%	3.35%
2028	435,000	5.00%	3.33%
2029	460,000	5.00%	3.34%
2030	480,000	5.00%	3.32%

<sup>(a)</sup> The Notes are not subject to redemption prior to their stated maturity.

<sup>(b)</sup> The initial reoffering prices or yields of the Notes are furnished by the Underwriter and represent the initial offering prices or yields to the public, which may be changed by the Underwriter at any time; subject, however, to the provisions of the Agreement to which this Schedule is attached.

## **EXHIBIT A**

### FORM OF ISSUE PRICE CERTIFICATE

#### **TAX NOTES, SERIES 2023**

The undersigned, on behalf of D.A. Davidson & Co. (the “Purchaser”) with respect to the Tax Notes, Series 2023 issued by the City of Mineola, Texas (the “Issuer”), in the principal amount of \$2,920,000 (the “Notes”) hereby certifies, based on its records and information, as follows:

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

2. ***Initial Offering Price of the Hold-The-Offering-Price Maturities.***

(a) The Purchaser offered the Hold-The-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Notes is attached to this certificate as Schedule B.

(b) As set forth in the Purchase Agreement, the Purchaser agreed in writing on or prior to the Sale Date that, (i) for each Maturity of the Hold-The-Offering-Price Maturities, it would neither offer nor sell any of the Notes of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) offered or sold any Maturity of the Hold-The-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Notes during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Notes listed in Schedule A hereto as the “General Rule Maturities.”

(b) ***Hold-The-Offering-Price Maturities*** means those Maturities of the Notes listed in Schedule A hereto as the “Hold-The-Offering-Price Maturities.”

(c) ***Holding Period*** means, with respect to a Hold-The-Offering-Price 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 Purchaser sold at least 10% of such Hold-The-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-The-Offering-Price Maturity.

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

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is July 10, 2023.

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes 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 Notes to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Norton Rose Fulbright US LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Purchaser is not engaged in the practice of law and makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED and DELIVERED as of this \_\_\_\_\_, 2023.

D.A. DAVIDSON & CO.  
as Purchaser

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

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

**SCHEDULE A**

**SALE PRICES OF THE GENERAL RULE MATURITIES [AND INITIAL OFFERING PRICES  
OF THE HOLD-THE-MATURITY-OFFERING-PRICE MATURITIES]**

**SCHEDULE B**

**PRICING WIRE OR EQUIVALENT COMMUNICATION**

*(Attached)*