

This Official Notice of Sale does not alone constitute an invitation for bids on the Bonds but is merely notice of sale of the Bonds described herein. The invitation for bids is being made by means of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form attached hereto. Information contained in this Official Notice of Sale is qualified in its entirety by the detailed information contained in the Preliminary Official Statement.

## OFFICIAL NOTICE OF SALE

**\$7,900,000**

### **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 421**

*(A political subdivision of the State of Texas located within Harris County)*

### **UNLIMITED TAX BONDS SERIES 2025**

**Bids Due: Thursday, August 21, 2025, at 9:15 A.M., Houston Time in Houston, Texas**  
**Bid Award: Thursday, August 21, 2025, at 12:00 P.M., Houston Time, in Houston, Texas**

### **BOOK-ENTRY-ONLY**

### **THE SALE**

Bonds Offered for Sale by Competitive Bidding: The Board of Directors (the "Board") of Harris County Municipal Utility District No. 421 (the "District") is inviting competitive bids for the purchase of its \$7,900,000 Unlimited Tax Bonds, Series 2025 (the "Bonds"). Bidders may submit bids for the Bonds by any of the following methods:

- (1) Deliver bids directly to the District as described below in "Sealed Bids Delivered to the District;"
- (2) Submit bids electronically as described below in "Electronic Bidding Procedures;" or
- (3) Submit bids by telephone as described below in "Bids by Telephone."

Place and Time of Bid Opening: Masterson Advisors LLC, on behalf of the District will open and publicly read bids for the purchase of the Bonds at Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046, at 9:15 A.M., Houston Time, Thursday, August 21, 2025. Any bid received after the scheduled time for bid opening will not be accepted by the Board and will be returned unopened.

Sealed Bids Delivered to the District: Sealed bids, plainly marked "Bid for Bonds" should be addressed to "President and Board of Directors, Harris County Municipal Utility District No. 421, of Harris County, Texas," % Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046 and delivered prior to 9:15 A.M., Houston Time, Thursday, August 21, 2025. All bids must be submitted in duplicate on the Official Bid Form, without alteration or interlineation.

Electronic Bidding Procedures: Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY by 9:15 A.M., Houston Time, Thursday, August 21, 2025. Bidders must submit by e-mail (anthea.moran@mastersonadvisors.com/713-814-0552), prior to 9:15 A.M., Houston Time, Thursday, August 21, 2025, a signed Official Bid Form to Ms. Anthea Moran, Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046. A signed Official Bid Form received after 9:15 A.M., Houston, Texas Time, may result in the electronic bid not being accepted by the Board. Subscription to i-Deal LLC's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District 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 Official Notice of Sale and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District. The District 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 provision of this Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Official 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, telephone: 212-404-8102.**

For purposes of both the written sealed bid process and 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 net interest cost to the District, as described under "CONDITIONS OF THE SALE—Basis of Award."** All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Sale and the Official Bid Form.

Bids by Telephone: Bidders must submit by e-mail or facsimile (anthea.moran@mastersonadvisors.com/713-814-0552) a signed original Official Bid Form to Ms. Anthea Moran, Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046, prior to 8:45 A.M., Houston Time, Thursday, August 21, 2025. Bidders that have provided a signed bid form will be contacted by a representative of Masterson Advisors LLC between 8:45 A.M. and 9:05 A.M., Houston Time, on the date of the sale. Questions about this procedure should be addressed to Ms. Moran at 713-814-0552.

*The District and Masterson Advisors LLC will not be responsible for the submission of any bids tendered by telephone before the deadline for filing but received by the Board after the filing deadline nor does Masterson Advisors LLC assume any responsibility or liability with respect to any irregularities or errors associated with the submission of bids if the above-described telephone options are exercised. **The District will not accept bids submitted by facsimile.***

**Award of the Bonds:** The District will take action to award the Bonds or reject all bids at a meeting scheduled to convene at 12:00 P.M., Houston time, on the date of the bid opening at the offices of Smith, Murdaugh, Little & Bonham, LLP, 2727 Allen Parkway, Suite 1100, Houston, Texas 77019. Upon awarding the Bonds to the winning bidder (the “Initial Purchaser”), the Board will adopt an order authorizing the issuance of the Bonds (the “Bond Order”). Sale of the Bonds will be made subject to the terms, conditions and provisions of the Bond Order, to which Bond Order reference is hereby made for all purposes and subject to compliance with Texas Government Code § 2252.908 and Chapter 2271, 2274 and 2276 of the Texas Government Code as more fully described below. The District reserves the right to reject any and all bids and to waive any irregularities, except the time of filing.

## THE BONDS

**Description of the Bonds:** Principal of the Bonds is payable at maturity or earlier redemption. Interest on the Bonds will accrue from the Date of Delivery (as defined herein) and will be payable on each March 1 and September 1, commencing March 1, 2026, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will be initially registered in the name of and delivered only to Cede & Co., the nominee of The Depository Trust Company (“DTC”), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the Beneficial Owners of the Bonds. The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A., in Houston, Texas. See the Preliminary Official Statement for a more complete description of the Bonds. The Bonds will mature serially on September 1 in the years and amounts as follows:

YEAR DUE	PRINCIPAL AMOUNT	YEAR DUE	PRINCIPAL AMOUNT	YEAR DUE	PRINCIPAL AMOUNT
2027	\$ 950,000	2036	\$ 250,000	2045	\$ 250,000
2028	950,000	2037	250,000	2046	250,000
2029	250,000	2038	250,000	2047	250,000
2030	250,000	2039	250,000	2048	250,000
2031	250,000	2040	250,000	2049	250,000
2032	250,000	2041	250,000	2050	250,000
2033	250,000	2042	250,000	2051	250,000
2034	250,000	2043	250,000	2052	250,000
2035	250,000	2044	250,000		

**Book-Entry-Only:** The Bonds will be registered and delivered only in the name of Cede & Co., as nominee for the Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Beneficial Owners of the Bonds will not receive physical certificates representing the Bonds but will receive a credit balance on the books of the nominees of such Beneficial Owners. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the paying agent/registrar, initially The Bank of New York Mellon Trust Company, N.A. in Houston, Texas (the “Paying Agent/Registrar”), directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners of the Bonds as described in the Preliminary Official Statement. See “THE BONDS—Book-Entry-Only System” in the Preliminary Official Statement.

**Redemption Provisions:** The Bonds maturing on or after September 1, 2032, are subject to redemption prior to maturity, at the option of the District, as a whole or, from time to time, in part, on September 1, 2031, or on any date thereafter, at a price of par plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. If fewer than all of the Bonds are redeemed, the particular maturity or maturities and amounts to be redeemed shall be determined by the District. If fewer than all of the Bonds of the same maturity are to be redeemed, the particular Bonds within each such maturity to be redeemed shall be selected by DTC in accordance with its procedures.

**Mandatory Sinking Fund Redemption:** If the successful bidder designates principal amounts to be combined into one or more term bonds, each such term bond shall be subject to mandatory sinking fund redemption commencing on September 1 of the first year which has been combined to form such term bond and continuing on September 1 in each year thereafter until the stated maturity date of that term bond. The amount redeemed in any year shall be equal to the principal amount for such year set forth on the cover page of the Preliminary Official Statement under the captioned “MATURITY SCHEDULE.” Term bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at a price of par plus unpaid accrued interest from the most recent interest payment date to the date of redemption. The term bonds to be redeemed shall be selected by DTC in accordance with its procedures. The principal amount of term bonds to be mandatorily redeemed is subject to reduction by the amount of any prior optional redemption.

Source of Payment: The Bonds will constitute valid and binding obligations of the District, payable as to principal and interest from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property located within the District, as further described in the Preliminary Official Statement. The Bonds are obligations solely of the District and are not obligations of Harris County, the City of Houston, the State of Texas, or any entity other than the District.

Successor Paying Agent/Registrar: Provision is made in the Bond Order for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new paying agent/registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any Paying Agent/Registrar selected by the District shall be a corporation organized and doing business under the laws of the United States of America or any state thereof subject to supervision or examination by the federal or state banking authorities.

## CONDITIONS OF THE SALE

Types of Bids and Interest Rates: The Bonds will be sold in one block, all or none, and no bid of less than ninety-seven percent (97%) of the principal amount thereof will be considered. Bidders are to name the rate or rates of interest to be borne by the Bonds, provided that each interest rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. No bid which results in a net effective interest rate as defined by Chapter 1204, Texas Government Code, as amended, in excess of 7.30% will be considered. Subject to the conditions below, no limitation will be imposed upon bidders as to the number of interest rates which may be used, but each rate of interest specified for Bonds maturing in the years 2035 (base year) through 2052, shall not be less than the rate of interest specified for any earlier maturity in 2035 through 2052 and the highest interest rate bid may not exceed the lowest interest rate bid by more than 2.5% in rate. No bid that generates a cash premium greater than \$5,000 will be considered. All Bonds maturing within a single year must bear the same rate of interest, and no bids for the Bonds involving supplemental interest rates will be considered. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid.

Basis of Award: For the purpose of awarding the sale of the Bonds, the interest cost of each bid will be computed by determining, at the interest rate or rates specified therein, the total dollar value of all interest on the Bonds from the date thereof to their respective maturities and adding thereto the dollar amount of the discount bid, if any, or subtracting therefrom the dollar amount of the premium bid, if any. Subject to the District's right to reject any or all bids, the Bonds will be awarded to the bidder whose bid, under the above computation, produces the lowest net interest cost to the District.

Good Faith Deposit: Each bid must be accompanied by a bank cashier's check payable to the order of "Harris County Municipal Utility District No. 421" in the amount of \$158,000, which represents two percent (2%) of the principal amount of the Bonds (the "Good Faith Deposit"). **Only bank cashier checks will be accepted; no "Official Bank Checks" will be accepted.** The check will be considered as a Good Faith Deposit, and the check of the Initial Purchaser will be retained uncashed by the District until the Bonds are delivered. With the exception of a failure to satisfy the standing letter requirements and covenants required by Chapters 2252, 2271, 2274 and 2276 of the Texas Government Code set forth in this Official Notice of Sale, in the event the Initial Purchaser should fail or refuse to accept delivery of and pay for the Bonds in accordance with its bid, then the Good Faith Deposit shall be cashed, and the proceeds accepted by the District as full and complete liquidated damages against the Initial Purchaser. 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 District prior to the opening of the bids and shall be accompanied by instructions from the bank on which it is drawn to authorize its use as a Good Faith Deposit by the bidder, who shall be named in such instructions. Upon payment for and delivery of the Bonds, the Good Faith Deposit will be returned uncashed. No interest will be paid on the Good Faith Deposit. 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.

Standing Letter Requirement: In submitting a bid, bidder represents to the District that it and each syndicate member listed on the Official Bid form, if any, (i) has filed a standing letter with and addressed to the Attorney General of Texas that conforms to the requirements of the Office of the Attorney General of Texas ("OAG") described in the All Bond Counsel Letters of November 1, 2023 and November 16, 2023 and contains the verifications contained under "Compliance with laws prohibiting contracts with certain companies" in this Official Notice of Sale, and (ii) has no reason to believe that the District may not be entitled to rely on such standing letters through the Date of Delivery of the Bonds. In making the foregoing representations, bidder acknowledges that it is aware of the OAG's All Bond Counsel Letter, dated October 17, 2023, stating that it is in the process of "reviewing whether companies or affiliates that are members of the Net Zero Alliance are companies that boycott energy companies in violation of Senate Bill 13, now codified in part at Chapter 2276, Government Code." In addition, as required under the All Bond Counsel Letter of the OAG dated April 27, 2022, the winning bidder and each syndicate member listed on an Official Bid Form shall immediately notify the District if its standing letter is under review by the Texas Comptroller of Public Accounts (the "Comptroller") pursuant to Section 809.051 of the Texas Government Code (a "bidder under review"). If such standing letter becomes subject to review as described above, at any time prior to the Date of Delivery of the Bonds upon request of the District or Bond Counsel, the bidder under review shall provide the District or Bond Counsel with written confirmation to the effect that (i) it and/or its affiliate intends to timely comply with the Comptroller's request for written verification pursuant to Chapter 809 of the Texas Government Code and (ii) the applicable standing letter remains in effect and may be relied upon by the District and the OAG. Additionally, upon request of the District or the OAG, the bidder and any syndicate member listed on the Official Bid Form shall provide additional written certification that the District may rely on the standing letter (the "Bringdown Verification"). The District and Bond Counsel may provide such written certifications to the OAG in connection with the issuance of the Bonds. To the extent the date of delivery of the Bonds occurs before the end of the Comptroller's review period pursuant to Section 809.051 of the Texas Government Code, and the bidder under review is unable to satisfy the OAG or Comptroller's verifications or certifications as described above, the District,

pursuant to the All Bond Counsel Letter of the OAG dated April 27, 2022, reserves the right to find a replacement purchaser for the Bonds. The District shall be under no further liability and no other penalty as a result of such replacement as described above. Bidders are further advised that the award of the Bonds is conditioned upon compliance by the bidder, each syndicate member listed on the Official Bid Form, and the provider of municipal bond insurance for the Bonds, if any and if required, with any rules and requirements of the OAG related to the filing of standing letters supporting the verifications and certifications herein, and that compliance with such rules and requirements has been confirmed by the District, either by its receipt of a copy of any required standing letters with the Official Bid Form prior to the time prescribed for award of the Bonds or such other means as is reasonably determined by the District. A form of standing letter may be obtained through the websites of the OAG or the Municipal Advisory Council of Texas.

**Provision of Texas Ethics Commission Form 1295 (“TEC Form 1295”) by Bidders:** Pursuant to Texas Government Code § 2252.908 (the “Interested Party Disclosure Act” or the “Act”), the District may not award the Bonds to a bidder that is a privately held entity unless the bidder, and each privately held syndicate member listed on the Official Bid Form, have provided to the District (c/o Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046; Attn: Anthea Moran, anthea.moran@mastersonadvisors.com) 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 District. The TEC Form 1295 may accompany the Official Bid Form or may be submitted separately but must be provided to the District prior to the time prescribed for the award of the Bonds. The TEC Form 1295 may be provided to the District via facsimile or electronically, however, the original signed TEC Form 1295 complete with certificate number must be physically delivered to the District (c/o Smith, Murdaugh, Little & Bonham, LLP, 2727 Allen Parkway, Suite 1100, Houston, Texas 77019) within two business days of the award. Following the award of the Bonds, the District will notify the TEC of the receipt of each completed TEC Form 1295. The District 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 Harris County Municipal Utility District No. 421, and the **contract ID number is HCMUD421-S2025-B and the description of goods and services to be provided is “Initial Purchaser.”** Neither the District 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 District that its bid is the apparent winning bid.

**Compliance with Laws Prohibiting Contracts with Certain Companies:** The District 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, at the time of execution and delivery of this bid and through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12, neither the bidder nor a syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same, boycotts or will boycott Israel. For purposes of compliance with Chapter 2271 of the Texas Government Code, the term “company” has the meaning assigned by Texas Government Code Section 808.001(2). The terms “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 District will not award the Bonds to a bidder unless the bidder certifies that, at the time of execution and delivery of this bid, neither the bidder nor a syndicate member listed on the Official Bid Form, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same unless affirmatively declared by the United States government to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization, is identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201 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. For purposes of compliance with Chapter 2252, Texas Government Code, the term “company” has the meaning assigned by Texas Government Code Section 2270.0001(2), as amended.

Additionally, the District 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 at the time of execution and delivery of its bid and through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company<sup>1</sup> that has or will have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association. The terms “discriminates against a firearm entity or firearm trade association,” “firearm entity” and “firearm trade association” as used in this paragraph have the meanings assigned to the terms in Section 2274.001 of the Texas Government Code, as amended.

Additionally, the District 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 at the time of execution and delivery of its bid and through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company<sup>2</sup> that boycotts or will boycott energy companies as required by Chapter 2276, Texas Government Code. 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.

<sup>1</sup> “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 associations that exists to make a profit. The term does not include a sole proprietorship.

<sup>2</sup> “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. The term does not include a sole proprietorship.

Liability for breach of any of the foregoing verifications through the date of delivery of the Bonds shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of this Official Notice of Sale and Official Bid Form, notwithstanding anything in this Official Notice of Sale or Official Bid Form to the contrary.

Compliance with the Texas Public Information Act: The District will not award the Bonds to a bidder unless the bidder agrees to maintain all records in accordance with the requirements of the Texas Public Information Act, including Subchapter J thereof relating to contracting information as defined therein, and the District's rules, regulations, policies, and retention schedules adopted thereunder with respect to any records to which said Act applies.

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

Delivery: The Bonds will initially be delivered as one Bond for each maturity. Delivery will be at the corporate trust office of the Paying Agent/Registrar in Houston, Texas. Payment for the Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Initial Purchaser will be given at least three (3) business days' notice of the time fixed for delivery of the Bonds. It is anticipated that initial delivery can be made on or about September 25, 2025 (the "Date of Delivery"), and it is understood and agreed that the Initial Purchaser will accept delivery of and make payment for the Bonds by 10:00 A.M., Houston Time on the Date of Delivery, or thereafter on the date the Bonds are tendered for delivery, up to and including October 24, 2025. If for any reason the District is unable to make delivery on or before October 24, 2025, then the District 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 three (3) business days thereafter, then its Good Faith Deposit will be returned, and both the District and the Initial Purchaser shall be relieved of any further obligation.

DTC Definitive Bonds: After delivery, the Bonds will be issued in book-entry-only form. Cede & Co. is the nominee for DTC. All references herein to the Registered Owners of the Bonds shall mean Cede & Co. and not the Beneficial Owners of the Bonds. Purchase of beneficial interests in the Bonds will be made in book-entry-only form (without registered Bonds) in the denomination of \$5,000 principal amount or any integral multiple thereof. Under certain limited circumstances described herein, the District may determine to forego immobilization of the Bonds at DTC, or another securities depository, in which case, such beneficial interests would become exchangeable for one or more fully registered Bonds of like principal amount for the Bonds. See "THE BONDS—Book-Entry-Only System" in the Preliminary Official Statement.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be printed on the initial Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Initial Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale. CUSIP identification numbers will be made available to the Initial Purchaser at the time the Bonds are awarded or as soon thereafter as practicable. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid by the Initial Purchaser.

Conditions to Delivery: The obligation to take up and pay for the Bonds is subject to the following conditions: the issuance of the approving opinion of the Attorney General of Texas, the Initial Purchaser's receipt of the Initial Bond(s), the Initial Purchaser's receipt of the legal opinion of Bond Counsel and the no-litigation certificate, all as described below, and no material adverse change in the financial condition of the District as described under "—No Material Adverse Change" herein. Bond Counsel may not deliver their approving opinion of the Bonds without the prior receipt of the approving opinion of the Texas Attorney General, as described on the cover of the Preliminary Official Statement.

By submitting a bid in connection with the sale of the Bonds and as a condition of the award and delivery of the Bonds, the Initial Purchaser makes the following verification: Pursuant to Section 2271.002, Texas Government Code, the Initial Purchaser hereby represents that the Initial Purchaser does not boycott Israel and will not boycott Israel through the underwriting period described in SEC Rule 15c2-12(f)(2). For purposes of this representation, "boycott Israel" 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.

The award and delivery of the Bonds is conditioned upon verification (in a form acceptable to the Attorney General of the State of Texas) that the Purchaser does not discriminate against firearm and ammunition industries as required by Chapter 2274, Texas Government Code, and will not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association. The terms "discriminates against a firearm entity or firearm trade association," "firearm entity," and "firearm trade association" as used in this paragraph have the meanings assigned to the terms in Section 2274.001 of the Texas Government Code, as amended.

The award and delivery of the Bonds is conditioned upon verification (in a form acceptable to the Attorney General of the State of Texas) that the Purchaser does not boycott energy companies as required by Chapter 2276, Texas Government Code, does not boycott and will not boycott energy companies. The term "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 award and delivery of the Bonds is conditioned upon verification (in a form acceptable to the Attorney General of the State of Texas) that the Initial Purchaser is not a company with which the District is prohibited from doing business under Section 2252.152 of the Texas Government Code, which relates to agreements with companies engaged in business with Iran, Sudan or a foreign terrorist organization.

Legal Opinions: The District will furnish to the Initial Purchaser a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds, including a certified copy of the approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Attorney General has examined a transcript of proceedings authorizing the issuance of the Bonds, and that based upon such examination, the Bonds are valid and binding obligations of the District payable from the proceeds of an annual ad valorem tax, levied without legal limitation as to rate or amount upon all taxable property in the District. The District will also furnish the approving legal opinion of Smith, Murdaugh, Little & Bonham, LLP, Bond Counsel, Houston, Texas, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding obligations of the District under the Constitution and laws of the State of Texas, except to the extent that enforcement of the rights and remedies of the Registered Owners of the Bonds may be limited by laws relating to bankruptcy, reorganization, or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. The legal opinion of Bond Counsel will further state that the Bonds are payable, both as to principal and interest, from the levy of ad valorem taxes without legal limitation as to rate or amount, upon all taxable property within the District, and that the interest on the Bonds is excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date of such opinion assuming compliance by the District with certain covenants relating to the use and investment of the proceeds of the Bonds. See “LEGAL MATTERS” in the Preliminary Official Statement. Such opinions express no opinion with respect to the sufficiency of the security for or marketability of the Bonds.

Qualified Tax-Exempt Obligations: Section 265 of the Internal Revenue Code of 1986, as amended (the “Code”) provides, in general, that interest expense incurred to acquire or carry tax-exempt obligations is not deductible from the gross income of the owner of the Bonds. For certain owners that are “financial institutions” within the meaning of such section, complete disallowance of such expense would apply to taxable years beginning after December 31, 1986, with respect to tax-exempt obligations acquired after August 7, 1986. Section 265(b) of the Code provides an exception to this rule for interest expense incurred by financial institutions to carry tax-exempt obligations (other than specified private activity bonds) which are designated by an issuer as “qualified tax-exempt obligations.” An issuer may only designate an issue as an issue of “qualified tax-exempt obligations” where less than \$10 million of tax-exempt obligations are issued by the issuer during the calendar year in which the issue so designated is issued.

The District will designate the Bonds as “qualified tax-exempt obligations.” Furthermore, the District has represented that it has or will take such action as is necessary for the Bonds to constitute “qualified tax-exempt obligations.” Notwithstanding the designation of the Bonds as “qualified tax-exempt obligations,” financial institutions acquiring the Bonds will be subject to a 20% disallowance of interest expense allocable to the Bonds.

Establishing the Issue Price of the Bonds: In order to provide the District with information that enables it to comply with certain conditions of the Code, relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the District or to the District's municipal advisor, Masterson Advisors LLC (the “Financial Advisor”), at least five (5) business days prior to the Date of Delivery of the Bonds, a certification as to the “issue price” of the Bonds (the “Issue Price Certificate”), substantially in the form attached hereto or accompanying this Official 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 Date of Delivery of the Bonds, the Issue Price Certificate may be modified in a manner approved by the District and Bond Counsel. Each bidder, by submitting its bid, agrees to complete, execute, and timely deliver the Issue Price Certificate, if its bid is accepted by the District. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain such facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

For purposes of this section of this Official Notice of Sale:

- (i) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Initial Purchaser or a Related Party;
- (ii) “Initial Purchaser” means (A) any person that agrees pursuant to a written contract with the District (or with the lead Initial Purchaser 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 (including an individual, trust, estate, partnership, association, company, or corporation) that 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); and
- (iv) “Sale Date” means the date that the Bonds are awarded by the District to the winning bidder.

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

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

The District intends to rely on Treasury Regulation section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of municipal bonds), which require, among other things, that the District receives bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirement”).

In the event that the Competitive Sale 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 Competitive Sale Requirement is not satisfied, bids **will not be subject to cancellation and the winning bidder will be required to hold the initial offering price to the Public of each maturity of the Bonds, other than a maturity 10% of which has been sold to the Public on the Sale Date (“Hold-the-Price Bonds”), as described in the next paragraph.**

By submitting a bid, the winning bidder agrees, on behalf of each Initial Purchaser participating in the purchase of the Bonds, that each Initial Purchaser will neither offer nor sell any maturity of the Hold-the-Price Bonds 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 Initial Purchasers have sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public.

The winning bidder shall promptly advise the District when the Initial Purchasers have sold 10% of a maturity of the Hold-the-Price Bonds 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.

No Material Adverse Change: The obligation of the Initial Purchaser to take up and pay for the Initial Bonds, and of the District to deliver the Initial Bonds, is subject to the condition that, up to the time of delivery of and receipt of payment for the Initial Bonds, there shall have been no material adverse change in the affairs of the District subsequent to the date of sale from that set forth in the Preliminary Official Statement, as it may have been finalized, supplemented or amended through the Date of Delivery.

No-Litigation Certificate: On the Date of Delivery of the Bonds to the Initial Purchaser, the District 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 District 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 in any manner questioning the validity of the Bonds.

Rule G-32 Requirements: It is the responsibility of the Initial Purchaser to comply with the Municipal Securities Rule Making 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.

## OFFICIAL STATEMENT

To assist the Initial Purchaser in complying with Rule 15c2-12 of the Securities and Exchange Commission (“SEC”), the District and the Initial Purchaser agree, by the submission and acceptance of the winning bid, as follows.

Final Official Statement: The District has approved and authorized distribution of the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds but does not intend to prepare any other document or version thereof for such purpose, except as described below. Accordingly, the District intends the Preliminary Official Statement to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for information relating to the offering prices, interest rates, final debt service schedule, selling compensation, identity of the Initial Purchaser and other similar information, terms and provisions to be specified in the competitive bidding process. The Initial Purchaser shall be responsible for promptly informing the District of the initial reoffering yields of the Bonds. Thereafter, the District will complete and authorize distribution of the Official Statement identifying the Initial Purchaser and containing such omitted information. The District does not intend to amend or supplement the Official Statement otherwise, except to take into account certain subsequent events, if any, as described below. By delivering the final Official Statement or any amendment or supplement thereto in the requested quantity to the Initial Purchaser on or after the sale date, the District intends the same to be final as of such date, within the meaning of SEC Rule 15c2-12(f)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the Official Statement which are being or which will be made by the District are those described and contained in the Official Statement under the caption “PREPARATION OF OFFICIAL STATEMENT—Certification of Official Statement.”

Changes to Official Statement: If subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial Purchaser, of any adverse event which causes the Official Statement to be materially misleading, and unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds, as described above under “DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS—Conditions to Delivery,” the District will promptly prepare and supply to the Initial Purchaser an appropriate amendment or supplement to the Official Statement satisfactory to the Initial Purchaser provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Initial Purchaser, unless the Initial Purchaser notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers in which case the District’s obligations hereunder will extend for an additional period of time (but not more than 90 days after the date the District delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

Delivery of Official Statements: The District shall furnish final Official Statements to the Initial Purchaser (and to each participating underwriter of the Bonds, within the meaning of SEC Rule 15c2-12(a), designated by the Initial Purchaser) within seven (7) business days after the sale date. The District also shall furnish to the Initial Purchaser a like number of any supplements or amendments approved and authorized for distribution by the District for dissemination to potential purchasers of the Bonds, as well as such additional copies of the Official Statement or any such supplements or amendments as the Initial Purchaser may reasonably request prior to the 90th day after the end of the underwriting period described in SEC Rule 15c2-12(f)(2). The District shall pay the expense of preparing the number of copies of the Official Statement specified in the winning bid and an equal number of any supplements or amendments issued on or before the Date of Delivery, but the Initial Purchaser shall pay for all other copies of the Official Statement or any supplement or amendment thereto.

Continuing Disclosure of Information: The District will agree in the Bond Order to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12, as described in the Preliminary 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 or their agent of a certified copy of the Bond Order containing the agreement described under such heading.

Substantive Requirements for Official Statement: To the best knowledge and belief of the District, the Preliminary 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.

## **GENERAL CONSIDERATIONS**

Investment Considerations: The Bonds involve certain investment considerations. Prospective bidders are urged to examine carefully the entire Preliminary Official Statement, with respect to the investment considerations associated with the Bonds. Particular attention should be given to the information set forth therein under the caption “INVESTMENT CONSIDERATIONS.”

Municipal Bond Rating and Municipal Bond Insurance: Application has been made to Moody’s Investor Service (“Moody’s”), for a municipal bond rating, and Moody’s has assigned an underlying rating of “Baa2” to the Bonds. Applications have also been made to municipal bond insurance companies for the qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the Initial Purchaser and at the Initial Purchaser’s expense. The rating fees of Moody’s will be paid by the District; any other rating fees associated with the insurance will be the responsibility of the Initial Purchaser. A downgrade of the insurer by any rating agency subsequent to submitting a bid with municipal bond insurance and before the closing of the transaction is not a material adverse change nor is it a basis for the Initial Purchaser to terminate its obligations to pay for the Bonds at closing. See “DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS—Conditions to Delivery” and “—No Material Adverse Change” herein. It should be noted that there are risk factors related to the purchase of municipal bond insurance. Accordingly, investors should evaluate the underlying credit quality of the District. See “INVESTMENT CONSIDERATIONS” in the Preliminary Official Statement.

Reservation of Rights: The District reserves the right to reject any and all bids and to waive any and all irregularities, except time of filing.

Not an Offer to Sell: This Official Notice of Sale does not alone constitute an offer to sell the Bonds but is merely notice of sale of the Bonds. The invitation for bids on the Bonds is being made by means of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form.



Registration and Qualification of Bonds for Sale: The offer and sale of the Bonds have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, and the Bonds have not been registered or qualified under the securities acts of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions. By submission of its bid, the Initial Purchaser represents that the sale of the Bonds in states other than the State of Texas will be made pursuant to exemptions from registration or qualification, or where necessary, the Initial Purchaser will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The District agrees to cooperate with the Initial Purchaser, at the Initial Purchaser's written request and expense, in registering or qualifying the Bonds or obtaining an exemption from registration or qualification (other than filing a consent to service of process in such state), in any state where such action is necessary.

Section 149(a) of the Code requires that all tax-exempt obligations (with certain exceptions that do not include the Bonds) be in registered form in order for the interest payable on such obligations to be excludable from a Beneficial Owner's income for federal income tax purposes. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. pursuant to the Book-Entry-Only System described herein. One fully-registered bond will be issued for each maturity of the Bonds and will be deposited with DTC. See "THE BONDS—Book-Entry-Only System." So long as any Bonds remain outstanding, the District will maintain at least one Paying Agent/Registrar in the State of Texas for the purpose of maintaining the Register on behalf of the District.

Additional Copies of Documents: Additional copies of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form may be obtained from the Financial Advisor, Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046.

Mr. Mark Russell Yokem  
President, Board of Directors  
Harris County Municipal Utility District No. 421

## OFFICIAL BID FORM

President and Board of Directors  
Harris County Municipal Utility District No. 421  
c/o Masterson Advisors LLC  
3 Greenway Plaza, Suite 1100  
Houston, Texas 77046

Board Members:

We have read in detail the Official Notice of Sale and Preliminary Official Statement dated July 17, 2025, relating to the \$7,900,000 Harris County Municipal Utility District No. 421 (the "District") Unlimited Tax Bonds, Series 2025 (the "Bonds"). We realize that the Bonds involve certain investment considerations, and we have made inspections and investigations as we deem necessary relating to the District and to the investment quality of the Bonds.

For your legally issued Bonds, as described in the "Preliminary Official Statement," and pursuant to the terms and conditions of the sale of the Bonds described in the "Official Notice of Sale," we will pay you a price of \$\_\_\_\_\_, representing \_\_\_\_\_% of the principal amount. Such Bonds mature September 1, in each of the years and in the amounts and interest rates shown below:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2027	\$ 950,000	_____ %	2040	\$ 250,000 *	_____ %
2028	950,000	_____ %	2041	250,000 *	_____ %
2029	250,000	_____ %	2042	250,000 *	_____ %
2030	250,000	_____ %	2043	250,000 *	_____ %
2031	250,000	_____ %	2044	250,000 *	_____ %
2032	250,000 *	_____ %	2045	250,000 *	_____ %
2033	250,000 *	_____ %	2046	250,000 *	_____ %
2034	250,000 *	_____ %	2047	250,000 *	_____ %
2035	250,000 *	_____ %	2048	250,000 *	_____ %
2036	250,000 *	_____ %	2049	250,000 *	_____ %
2037	250,000 *	_____ %	2050	250,000 *	_____ %
2038	250,000 *	_____ %	2051	250,000 *	_____ %
2039	250,000 *	_____ %	2052	250,000 *	_____ %

\* Subject to optional redemption on or after September 1, 2031.

Of the principal maturities set forth in the table above, we have created term bonds 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:

<u>Term Bond Maturity Date</u>	<u>Year of First Mandatory Redemption</u>	<u>Principal Amount of Term Bond</u>	<u>Interest Rate</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

Gross Interest Cost from September 25, 2025 (the "Date of Delivery")..... \$ \_\_\_\_\_  
Plus: Dollar Amount of Discount (or Less: Dollar Amount of Premium) ..... \$ \_\_\_\_\_  
NET INTEREST COST..... \$ \_\_\_\_\_  
NET EFFECTIVE INTEREST RATE..... \_\_\_\_\_ %

The Bonds [are] [are not] being insured by \_\_\_\_\_ at a premium of \$ \_\_\_\_\_, said premium to be paid by the Initial Purchaser. The rating fee of Moody's will be paid for by the District; payment of any other rating fee will be the responsibility of the Initial Purchaser.

The initial Bonds shall be registered in the name of Cede & Co. as the nominee for The Depository Trust Company.

By submitting this bid, we agree to provide copies of the final Official Statement, and any amendments and supplements thereto, in accordance with the terms of the Official Notice of Sale and as required by Rule 15c2-12 of the Securities and Exchange Commission and Rule G-32 of the Municipal Securities Rulemaking Board.

A Bank Cashier's Check payable to the order of the District in the amount of \$158,000 has been made available to you prior to the opening of this bid, as a Good Faith Deposit, and is submitted in accordance with the Official Notice of Sale. With the exception of a failure to satisfy the standing letter requirements and covenants required by Chapters 2252, 2271, 2274 and 2276 of the Texas Government Code set forth in this Official Notice of Sale, should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Official Notice of Sale, this check shall be cashed, and the proceeds retained as complete liquidated damages against us. Liability for breach of the standing letter requirements and the statutory representations and covenants required by Chapters 2252, 2271, 2274, and 2276 of the Texas Government Code shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of the Official Notice of Sale or this Official Bid Form, notwithstanding anything in the Official Notice of Sale or Official Bid Form to the contrary.

The District may not accept this bid until it has received from the bidder, if that bidder is a privately held entity, a completed and signed TEC Form 1295 complete with a certificate number assigned by the Texas Ethics Commission ("TEC"), pursuant to Texas Government Code § 2252.908 and the rules promulgated thereunder by the TEC. The undersigned understands that failure to provide said form complete with a certificate number assigned by the TEC as provided for in the Official Notice of Sale will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

The undersigned verifies that, pursuant to Chapter 2271, Texas Government Code, it does not boycott Israel and agrees it will not boycott Israel through the underwriting period described in SEC Rule 15c2-12(f)(2)<sup>1</sup>. Additionally, pursuant to Chapter 2252, Texas Government Code, the undersigned certifies that at the time of execution and delivery of its bid, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company<sup>1</sup> that, unless affirmatively declared by the United States government to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization, is identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under section 2252.153 or section 2270.0201 of the Texas Government Code. The undersigned agrees to execute, at the request of District, further written certifications as may be necessary or convenient for District to establish compliance with these laws.

Additionally, by executing this Official Bid Form, the bidder represents and verifies that at the time of execution and delivery of its bid and through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company<sup>2</sup> that has or will have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association. The terms "discriminates against a firearm entity or firearm trade association," "firearm entity" and "firearm trade association" as used in this paragraph have the meanings assigned to the terms in Section 2274.001 of the Texas Government Code, as amended.

Additionally, by executing this Official Bid Form, the bidder represents and verifies that at the time of execution and delivery of its bid and through the end of the underwriting period as defined by United States Securities and Exchange Commission Rule 15c2-12, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company<sup>3</sup> that boycotts or will boycott energy companies as required by Chapter 2276, Texas Government Code. 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.

By executing this Official Bid Form, Bidder acknowledges the award of the Bonds is conditioned upon compliance by the Bidder, each syndicate member listed on the Official Bid Form, and the provider of municipal bond insurance for the Bonds, if any and if required, with any rules and requirements of the Office of the Attorney General of Texas related to the filing of standing letters supporting the verifications and certifications herein, and that compliance with such rules and requirements has been confirmed by the District, either by its receipt of a copy of any required standing letters with this Official Bid Form prior to the time prescribed for award of the Bonds or such other means as is reasonably determined by the District.

By executing this Official Bid Form, bidder represents to the District that it and each syndicate member listed on the Official Bid Form, if any, (i) has filed a standing letter with the Attorney General of Texas and the Municipal Advisory Council of Texas that conforms to the requirements of the Office of the Attorney General of Texas (the "OAG") described in the All Bond Counsel Letters of November 1, 2023 and November 16, 2023, and (ii) has no reason to believe that the District may not be entitled to rely on such standing letters through the Date of Delivery of the Bonds.

<sup>1</sup> For purposes of compliance with Chapter 2271 of the Texas Government Code, the term "Company" has the meaning assigned by Texas Government Code Section 808.001(2).

<sup>2</sup> "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 associations that exists to make a profit. The term does not include a sole proprietorship.

<sup>3</sup> "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. The term does not include a sole proprietorship.

In making the foregoing representation, bidder acknowledges that it is aware of the OAG's All Bond Counsel Letter, dated October 17, 2023, stating that it is in the process of "reviewing whether companies or affiliates that are members of the Net Zero Alliance are companies that boycott energy companies in violation of Senate Bill 13, now codified in part at Chapter 2276, Government Code." In addition, as required under the All Bond Counsel Letter of the OAG dated April 27, 2022, the winning bidder and each syndicate member listed on an Official Bid Form shall immediately notify the District if its standing letter is under review by the Texas Comptroller of Public Accounts (the "Comptroller") pursuant to Section 809.051 of the Texas Government Code (a "bidder under review"). If such standing letter becomes subject to review as described above, at any time prior to the date of delivery of the Bonds upon request of the District or Bond Counsel, the bidder under review shall provide the District or Bond Counsel with written confirmation to the effect that (i) it and/or its affiliate intends to timely comply with the Comptroller's request for written verification pursuant to Chapter 809 of the Texas Government Code and (ii) the applicable standing letter remains in effect and may be relied upon by the District and the OAG. Additionally, upon request of the District or the OAG, the bidder and any syndicate member listed on the Official Bid Form shall provide additional written certification that the District may rely on the standing letter (the "Bringdown Verification"). The District and Bond Counsel may provide such written certifications to the OAG in connection with the issuance of the Bonds. To the extent the date of delivery of the Bonds occurs before the end of the Comptroller's review period pursuant to Section 809.051 of the Texas Government Code, and the bidder under review is unable to satisfy the OAG or Comptroller's verifications or certifications as described above, the District, pursuant to the All Bond Counsel Letter of the OAG dated April 27, 2022, reserves the right to find a replacement purchaser for the Bonds. The District shall be under no further liability and no other penalty as a result of such replacement as described above. Bidders are further advised that the award of the Bonds is conditioned upon compliance by the bidder, each syndicate member listed on the Official Bid Form, and the provider of municipal bond insurance for the Bonds, if any and if required, with any rules and requirements of the OAG related to the filing of standing letters supporting the verifications and certifications herein, and that compliance with such rules and requirements has been confirmed by the District, either by its receipt of a copy of any required standing letters with the Official Bid Form prior to the time prescribed for award of the Bonds or such other means as is reasonably determined by the District. A form of standing letter may be obtained through the websites of the OAG or the Municipal Advisory Council of Texas.

The undersigned agrees to execute, at the request of the District, further written certifications in a form acceptable to the Attorney General of the State of Texas as may be necessary or convenient for the District to establish compliance with these laws.

The undersigned agrees to complete, execute, and deliver to the District, by the Date of Delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form accompanying the Official Notice of Sale, with such changes thereto as may be acceptable to the District. The undersigned further agrees, if the District receives fewer than three bids for the Bonds, that it will neither offer nor sell the Bonds of any maturity to any person at a price that is higher than the initial offering price to the public for the Bonds of that maturity during the period starting on the Sale Date and ending on the earlier of (i) the close of the 5th business day after the Sale Date, or (ii) the date on which the winning bidder has sold at least 10% of the Bonds of that maturity to the public at a price no higher than the initial offering price to the public. Masterson Advisors LLC, will advise the winning bidder the number of bids received by the District on the Sale Date.

We further understand that the District assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement or other information concerning the District and the Bonds to anyone other than to us.

We agree to accept delivery of and make payment for the Bonds in immediately available funds at the offices of The Bank of New York Mellon Trust Company, N.A., Houston, Texas, not later than 10:00 A.M., Houston, Texas time, on the Date of Delivery or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the "Official Notice of Sale." In addition, in the event less than all of the Bonds are sold to ultimate customers prior to the Date of Delivery of the Bonds, we will so notify the District on such date.

Respectfully submitted,

\_\_\_\_\_

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

Telephone Number: \_\_\_\_\_

☐

Check this box to indicate that bidder is a publicly traded business entity (including a wholly owned subsidiary of the business entity) and is therefore exempt from providing a signed TEC Form 1295.

## ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Harris County Municipal Utility District No. 421, this 21<sup>st</sup> day of August, 2025.

ATTEST:

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Secretary, Board of Directors

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President, Board of Directors

## BOND YEARS

Due: September 1, Annually  
Interest Accrual Date: September 25, 2025

<u>Year</u>	<u>Principal</u>	<u>Bond Years</u>	<u>Cumulative Bond Years</u>
2027	\$ 950,000	1,836.667	1,836.667
2028	950,000	2,786.667	4,623.333
2029	250,000	983.333	5,606.667
2030	250,000	1,233.333	6,840.000
2031	250,000	1,483.333	8,323.333
2032	250,000	1,733.333	10,056.667
2033	250,000	1,983.333	12,040.000
2034	250,000	2,233.333	14,273.333
2035	250,000	2,483.333	16,756.667
2036	250,000	2,733.333	19,490.000
2037	250,000	2,983.333	22,473.333
2038	250,000	3,233.333	25,706.667
2039	250,000	3,483.333	29,190.000
2040	250,000	3,733.333	32,923.333
2041	250,000	3,983.333	36,906.667
2042	250,000	4,233.333	41,140.000
2043	250,000	4,483.333	45,623.333
2044	250,000	4,733.333	50,356.667
2045	250,000	4,983.333	55,340.000
2046	250,000	5,233.333	60,573.333
2047	250,000	5,483.333	66,056.667
2048	250,000	5,733.333	71,790.000
2049	250,000	5,983.333	77,773.333
2050	250,000	6,233.333	84,006.667
2051	250,000	6,483.333	90,490.000
2052	250,000	6,733.333	97,223.333
Total	\$ 7,900,000		

**Average Maturity                      12.307**

## ISSUE PRICE CERTIFICATE

The undersigned, being a duly authorized representative of the underwriter or the manager of the syndicate of underwriters ("Purchaser") with respect to the purchase of \$7,900,000 Unlimited Tax Bonds, Series 2025, issued by Harris County Municipal Utility District No. 421 (the "District"), hereby certifies and represents, based on its records and information, as follows:

***[If at least 3 qualified bids are received from underwriters]***

1. On the first day on which there was a binding contract in writing for the purchase of the Bonds by the Purchaser, the Purchaser's reasonably expected initial offering prices of each maturity of the Bonds with the same credit and payment terms (the "Expected Offering Prices") to a person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter are as set forth in the pricing wire or equivalent communication for the Bonds, as attached to this Issue Price Certificate as **Schedule A**. The Expected Offering Prices are the prices for the Bonds used by the Purchaser in formulating its bid to purchase the Bonds.

2. The Purchaser had an equal opportunity to bid to purchase the Bonds and it was not given the opportunity to review other bids that was not equally given to all other bidders (i.e., no last look).

3. The bid submitted by the Purchaser constituted a firm bid to purchase the Bonds.

***[If less than 3 qualified bids are received from underwriters]***

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

***[Include the following paragraphs 2 and 3 if there are Hold-the-Price Maturities]***

2. On or before the first day on which there is a binding contract in writing for the sale of the Bonds ("Sale Date"), the Purchaser offered to the Public each [maturity of the Bonds having the same credit and payment terms ("Maturity")][Maturity of the Hold-the-Price Maturities] at the [Initial Offering Prices for such Maturity][initial offering prices for such Maturity ("Initial Offering Prices")], as set forth in **Schedule A** hereto. [A copy of the pricing wire or equivalent communication for the Bonds is attached to this Issue Price Certificate as **Schedule A**.]

3. As set forth in the Official Notice of Sale, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for such Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells [at least ten percent ("Substantial Amount")][a Substantial Amount] of a Maturity of the Bonds to the Public at no higher price than the Initial Offering Price for such Maturity.]

***[Include the remaining paragraphs regardless of number of bids; revise numbering of paragraphs as appropriate]***

4. As used hereinabove, the term "Underwriter" means (i) (A) a person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, or (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i)(A) of this paragraph (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public) to participate in the initial sale of the Bonds to the Public, and (ii) any person who has more than 50% common ownership, directly or indirectly, with a person described in clause (i) of this paragraph.

5. 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.

6. The undersigned has calculated the total underwriting spread on the Bonds to be \$ \_\_\_\_\_. As used herein, the term "total underwriting spread" means the cost for marketing and selling the Bonds, and includes (a) a total takedown of \$ \_\_\_\_\_, (b) a total management fee of \$ \_\_\_\_\_, (c) fees and expenses of underwriter's counsel in the estimated total amount of \$ \_\_\_\_\_, and (d) other expenses in the total estimated amount of \$ \_\_\_\_\_.

The undersigned understands that the foregoing information will be relied upon by District 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 Smith, Murdaugh, Little & Bonham, LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds. The undersigned understands that the foregoing information will also be relied upon by District and by Smith, Murdaugh, Little & Bonham, LLP with respect to compliance with the requirements of Section 1202.008 of Chapter 1202, Texas Government Code, as amended. 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 this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Name of Underwriter

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

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