

ORDINANCE NO. 15-25

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CAPITAL IMPROVEMENT REVENUE BONDS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; PRESCRIBING OTHER MATTERS RELATING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Camden, Arkansas (the "City") has determined that the City is in need of various capital improvements, including particularly, without limitation, street improvements and improvements to the Carnes Park Community Center (collectively, the "Improvements"); and

WHEREAS, the City can finance all or a portion of the costs of the Improvements by the issuance of Capital Improvement Revenue Bonds, Series 2026 in the aggregate principal amount of \$6,170,000 (the "bonds"); and

WHEREAS, the City has received, through the assistance of Stephens Inc., offers for the purchase of the bonds from Farmers Bank & Trust Company and Generations Bank (collectively, the "Purchasers"), at a price of par (the "Purchase Price"), pursuant to Letters of Offer and Representations (the "Offers"), which have been presented to and are before this meeting;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Camden, Arkansas:

Section 1. The Improvements shall be accomplished. The Mayor and City Clerk are hereby authorized to take, or cause to be taken, all action necessary to accomplish the Improvements and to execute all required contracts.

Section 2. The Offers of the Purchasers for the purchase of the bonds from the City at the Purchase Price, for bonds bearing interest at the rate per annum, maturing and otherwise subject to the terms and provisions hereafter in this Ordinance set forth in detail are hereby accepted, and the bonds are hereby sold to the Purchasers. The Mayor is hereby authorized and directed to execute and deliver the Offers on behalf of the City.

Section 3. Under the authority of the Constitution and laws of the State of Arkansas (the "State"), including particularly Title 14, Chapter 164, Subchapter 4 of the Arkansas Code of 1987 Annotated, City of Camden, Arkansas Capital Improvement Revenue Bonds, Series 2026 are hereby authorized and ordered issued in the aggregate principal amount of \$6,170,000 for the purpose of accomplishing the Improvements and paying the expenses of issuing the bonds. The bonds shall mature on December 1, 2045 and shall bear interest at the rate of 4.30% per annum.

The bonds shall be dated the date of issuance and shall be issuable only as two fully registered typewritten bonds without coupons. Bond No. R-1 shall be in the principal amount of \$5,170,000 and Bond No. R-2 shall be in the principal amount of \$1,000,000.

Interest on the bonds shall be payable on June 1, 2026, and semiannually thereafter on June 1 and December 1 of each year. Payment of each installment of principal and interest shall be made to the person in whose name the bond is registered on the registration books of the City maintained by Community First Trust Company, Hot Springs, Arkansas, as trustee and paying agent (the "Trustee"), at the close of business on the fifteenth day of the month (whether or not a business day) next preceding each interest payment date (the "Record Date"), irrespective of any transfer of any such bond subsequent to such Record Date and prior to such interest payment date.

Only such bonds as shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in Section 5 hereof (the "Certificate") duly executed by the Trustee shall be entitled to any right or benefit under this Ordinance. No bond shall be valid and obligatory for any purpose unless and until the Certificate shall have been duly executed by the Trustee, and the executed Certificate upon any such bond shall be conclusive evidence that such bond has been authenticated and delivered under this Ordinance. The Certificate on any bond shall be deemed to have been executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the Certificate on all of the bonds.

In case any bond shall become mutilated or be destroyed or lost, the City shall, if not then prohibited by law, cause to be executed and the Trustee may authenticate and deliver a new bond of like date, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated bond, or in lieu of and in substitution for such bond destroyed or lost, upon the owner paying the reasonable expenses and charges of the City and Trustee in connection therewith, and, in the case of a bond destroyed or lost, his filing with the Trustee evidence satisfactory to it that such bond was destroyed or lost, and of his ownership thereof, and furnishing the City and Trustee with indemnity satisfactory to them. The Trustee is hereby authorized to authenticate any such new bond. In the event any such bond shall have matured, instead of issuing a new bond, the City may pay the same without the surrender thereof. Upon the issuance of a new bond under this Section, the City may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

The City shall cause books to be maintained for the registration and for the transfer of the bonds as provided herein and in the bonds. The Trustee shall act as the bond registrar. Each bond is transferable by the registered owner thereof or by his attorney duly authorized in writing at the principal office of the Trustee. Every transferee shall take the transferred bond subject to all payments of principal and interest (as reflected by the Payment Record to be maintained by the Trustee), prior to such surrender for transfer. When the principal of and interest on the bonds have been fully paid, they shall be canceled by the Trustee and returned to the City Clerk.

No charge shall be made to any owner of any bond for the privilege of transfer, but any owner of any bond requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

The person in whose name any bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or premium, if any, or interest of any bond shall be made only to or upon the order of the

registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid.

In any case where the date of maturity of interest on or principal of the bonds or the date fixed for redemption of any bonds shall be a Saturday or Sunday or shall be in the State a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal (and premium, if any) need not be made on such date but may be made on the next succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after the date of maturity or date fixed for redemption.

Section 4. The bonds shall be executed on behalf of the City by the manual signatures of the Mayor and City Clerk and shall have impressed thereon the seal of the City. The bonds, together with interest thereon, are secured by and are payable solely from the Pledged Revenues, which are hereby pledged and mortgaged for the payment of the bonds.

The "Pledged Revenues" are a special revenue source and are defined to mean all revenues received by the City from the franchise fees charged to public utilities. The Pledged Revenues shall not be deemed to be general revenues of the City and shall be deposited into a special fund hereinafter created. The bonds and interest thereon shall not constitute an indebtedness of the City within any constitutional or statutory limitation. The bonds shall never give rise to a charge against the City's general credit or taxing power and no funds derived from the City's taxes are pledged to pay the bonds. Nothing herein shall require the City to pay the principal of and interest on the bonds from sources other than the Pledged Revenues, but nothing herein shall prohibit the City from doing so.

Section 5. The bonds and the Certificate shall be in substantially the following form and the Mayor and City Clerk are hereby expressly authorized and directed to make all recitals contained therein:

(Form of Bond)

REGISTERED

REGISTERED

No. R-[1][2]

[\$5,170,000][\$1,000,000]

UNITED STATES OF AMERICA  
STATE OF ARKANSAS  
COUNTY OF OUACHITA  
CITY OF CAMDEN  
CAPITAL IMPROVEMENT REVENUE BOND,  
SERIES 2026

Interest Rate: 4.30%  
Dated Date: January 20, 2026

Maturity Date: December 1, 2045

Registered Owner: [Farmers Bank & Trust Company][Generations Bank]  
Principal Amount: [Five Million One Hundred Seventy Thousand Dollars][One Million Dollars]

KNOW ALL MEN BY THESE PRESENTS:

That the City of Camden, County of Ouachita, State of Arkansas (the "City"), for value received, hereby promises to pay, but solely from the source as hereinafter provided and not otherwise, to the Registered Owner shown above, or registered assigns, on the Maturity Date shown above, the Principal Amount shown above, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and to pay interest on the outstanding Principal Amount, but solely from the source as hereinafter provided and not otherwise, in like coin or currency from the Dated Date shown above at the Interest Rate per annum shown above, payable June 1, 2026 and semiannually thereafter on June 1 and December 1 each year until payment of such Principal Amount or, if this bond or a portion hereof shall be duly called for redemption, until the date fixed for redemption and to pay interest (to the extent legally enforceable) at the rate borne by this bond. Payment of each installment of principal (except final payment) and interest shall be made by check or draft to the person in whose name this bond is registered on the registration books of the City maintained by Community First Trust Company, Hot Springs, Arkansas, or its successor or successors, as trustee and paying agent (the "Trustee") at the close of business on the fifteenth day of the month (whether or not a business day) next preceding each interest payment date (the "Record Date"), irrespective of any transfer of this bond subsequent to such Record Date and prior to such interest payment date. The final payment of principal shall only be made upon presentation and surrender of this bond at the principal office of the Trustee.

This bond is one of an issue of City of Camden, Arkansas Capital Improvement Revenue Bonds, Series 2026, aggregating Six Million One Hundred Seventy Thousand Dollars (\$6,170,000) in principal amount (the "bonds"), and is issued for the purpose of financing all or a portion of the costs of various capital improvements, paying necessary expenses incidental thereto and to the authorization and issuance of the bonds.

The bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Arkansas (the "State"), including particularly Title 14, Chapter 164, Subchapter 4 of the Arkansas Code of 1987 Annotated, and pursuant to Ordinance No. \_\_\_\_\_, duly adopted on December 9, 2025 (the "Authorizing Ordinance"), and do not constitute an indebtedness of the City within any constitutional or statutory limitation. The bonds are not general obligations of the City, but are special obligations payable solely secured solely by a pledge of revenues received by the City that are derived from the payment of franchise fees by public utilities (the "Pledged Revenues"). The Pledged Revenues shall be deemed to be a special source for the payment of the bonds. The bonds shall never give rise to a charge against the City's general credit or taxing power and no funds derived from the City's taxes are pledged to pay the bonds. An amount of Pledged Revenues sufficient to pay the principal of and interest on the bonds has been duly pledged and set aside into the 2026 Capital Improvement Revenue Bond Fund identified in the Authorizing Ordinance. Reference is hereby made to the Authorizing Ordinance for a detailed statement of the terms and conditions upon which the bonds are issued, of the nature and extent of the security for the bonds, and the rights and obligations of the City, the Trustee and the

registered owners of the bonds. Nothing herein or in the Authorizing Ordinance shall require the City to pay the principal of and interest on this bond except from the Pledged Revenues, but nothing herein or in the Authorizing Ordinance shall prevent the City from doing so.

The bonds shall be subject to extraordinary, optional and mandatory sinking fund redemption as follows:

1. The bonds are subject to redemption, in whole or in part on any interest payment date, from bond proceeds not needed for the purposes intended at a redemption price equal to the principal amount being redeemed plus accrued interest to the date of redemption.

2. The bonds are subject to redemption at the option of the City, in whole or in part at any time on and after June 1, 2031, at a redemption price equal to the principal amount being redeemed plus accrued interest to the date of redemption.

3. The bonds are subject to mandatory sinking fund redemption on December 1 in each of the years and in the amounts set forth below, at a redemption price equal to the principal amount being redeemed plus accrued interest to the date of redemption:

<u>Year</u> <u>(December 1)</u>	<u>Principal Amount</u>	<u>Year</u> <u>(December 1)</u>	<u>Principal Amount</u>
2026	\$235,000	2036	\$305,000
2027	210,000	2037	315,000
2028	215,000	2038	335,000
2029	225,000	2039	345,000
2030	240,000	2040	360,000
2031	245,000	2041	375,000
2032	255,000	2042	395,000
2033	270,000	2043	405,000
2034	280,000	2044	425,000
2035	290,000	2045	445,000

Principal paid by reason of mandatory sinking fund redemption shall be applied on a pro rata basis against each bond (based upon principal amount). In the event of an optional or extraordinary redemption of the bonds, principal shall be applied either in inverse chronological order of sinking fund installments due or on a pro rata basis against sinking fund installments due, as directed by the City, in each such case on a pro rata basis against each bond (based upon principal amount).

Notice of redemption identifying the bonds or portions thereof to be redeemed shall be given by the Trustee, not less than 30 nor more than 60 days prior to the date fixed for redemption, by mailing a copy of the redemption notice by first class mail, postage prepaid, or by sending a copy of the redemption notice via other standard means, including electronic or facsimile communication, to all registered owners of bonds to be redeemed. Failure to mail or send an appropriate notice or any such notice to one or more registered owners of bonds to be redeemed shall not affect the validity of the proceedings for redemption of other bonds as to which notice of

redemption is duly given in proper and timely fashion. All such bonds or portions thereof thus called for redemption and for the retirement of which funds are duly provided in accordance with the Authorizing Ordinance prior to the date fixed for redemption will cease to bear interest on such redemption date.

This bond is transferable by the registered owner hereof in person or by his attorney-in-fact duly authorized in writing at the principal office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Authorizing Ordinance, and upon surrender of this bond. Every transferee shall take this bond subject to all payments and redemptions of principal and interest (as reflected by the Payment Record to be maintained by the Trustee), prior to such surrender for transfer. This bond is issued with the intent that the laws of the State shall govern its construction.

The City and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and premium, if any, hereon and interest due hereon and for all other purposes, and neither the City nor the Trustee shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the bonds do exist, have happened and have been performed in due time, form and manner as required by law; that the indebtedness represented by the bonds, together with all obligations of the City, do not exceed any constitutional or statutory limitation; and that the Revenues pledged to the payment of the principal of and premium, if any, and interest on the bonds as the same become due and payable will be sufficient in amount for that purpose.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Authorizing Ordinance until the Certificate of Authentication hereon shall have been signed by the Trustee.

THE CITY HAS DESIGNATED THIS BOND AS A "QUALIFIED TAX-EXEMPT OBLIGATION" WITHIN THE MEANING OF SECTION 265(b) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

IN WITNESS WHEREOF, the City of Camden, Arkansas has caused this bond to be executed by its Mayor and City Clerk, thereunto duly authorized, and its corporate seal to be impressed on this bond, all as of the Dated Date shown above.

CITY OF CAMDEN, ARKANSAS

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

(SEAL)

(Form of Trustee's Certificate)

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds designated Series 2026 in and issued under the provisions of the within mentioned Authorizing Ordinance.

Date of Authentication: \_\_\_\_\_

COMMUNITY FIRST TRUST COMPANY  
Hot Springs, Arkansas  
TRUSTEE

By \_\_\_\_\_  
Authorized Signature

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_ ("Transferor"), hereby sells, assigns and transfers unto \_\_\_\_\_, the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ as attorney to transfer the within bond on the books kept for registration thereof with full power of substitution in the premises.

DATE: \_\_\_\_\_

\_\_\_\_\_  
Transferor

GUARANTEED BY:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by a member of or participant in the Securities Transfer Agents Medallion Program (STAMP), or in another signature guaranty program recognized by the Trustee.

Section 6. (a) The City agrees to continuously charge franchise fees to all public utilities occupying the streets, highways, rights-of-way and other public places while the bonds are outstanding.

(b) The franchise fees currently charged to public utilities are hereby ratified, confirmed and continued and such fees shall never be reduced while the bonds are outstanding unless the City receives an opinion of a certified public accountant not in the regular employ of

the City ("Accountant") to the effect that Pledged Revenues for the preceding fiscal year, assuming such reduction had been in effect for the entire year, would have equaled not less than 125% of the maximum annual debt service on all obligations of the City to which Pledged Revenues are pledged.

(c) The franchise fees currently collected from the public utilities are sufficient to pay the principal of and interest on the bonds when due and the City agrees that the percentage rate of each franchise fee currently collected by the City from public utilities will not be increased solely for the purpose of providing funds to pay the principal of and interest on the bonds when due.

Section 7. The City Treasurer shall be the custodian of all Pledged Revenues. All Pledged Revenues shall at all times be accounted for separately and distinctly from other moneys of the City and shall be used and applied only as provided herein. Upon receipt by the City, the Pledged Revenues shall not be deposited into the General Fund but shall be deposited into a special fund of the City hereby created and designated as the "Franchise Fee Fund" (the "Franchise Fee Fund") in such depository or depositories for the City as may be lawfully designated by the City from time to time, provided that such depository or depositories shall hold membership in the Federal Deposit Insurance Corporation or any successor entity ("FDIC").

Section 8. There shall be transferred from the Franchise Fee Fund into a special fund hereby created with the Trustee and designated "2026 Capital Improvement Revenue Bond Fund" (the "Bond Fund"), the sums in the amounts and at the times described below for the purpose of providing funds for the payment of the principal of and interest on the bonds, with Trustee's fees and expenses and any arbitrage rebate.

There shall be paid into the Bond Fund, on or before the last business day of each month, commencing in January 2026, a sum equal to one-sixth (1/6) of the next installment of interest plus one-twelfth (1/12) of the next installment of principal of the bonds then due; provided, however, the monthly deposits into the Bond Fund representing interest on the bonds through May 2026 shall be increased to 1/5 of the installment of interest on the bonds due June 1, 2026, and the monthly deposits into the Bond Fund representing principal of the bonds through November 2026 shall be increased to 1/11 of the installment of principal of the bonds due December 1, 2026. The City shall also pay into the Bond Fund such additional sums as necessary to provide for the Trustee's fees and expenses and any arbitrage rebate due to be paid to the United States Treasury under Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"). The City shall realize a credit against monthly deposits into the Bond Fund to the extent of interest earnings on moneys in the Bond Fund.

If Pledged Revenues are insufficient to make the required payment by the last business day of the month into the Bond Fund, the amount of any such deficiency in the payment made shall be added to the amount otherwise required to be paid into the Bond Fund by the last business day of the next month.

When the moneys held in the Bond Fund shall be and remain sufficient to pay the principal of and interest on the bonds then outstanding, there shall be no further obligation to make further payments into the Bond Fund. All moneys in the Bond Fund shall be used solely for the



purpose of paying the principal of and interest on the bonds, Trustee's fees and expenses and arbitrage rebate, except as hereinafter set forth.

The Trustee shall withdraw moneys from the Bond Fund from time to time as necessary for paying principal of and interest on the bonds when due at maturity or at redemption prior to maturity and for making other authorized Bond Fund expenditures.

Section 9. Any surplus in the Franchise Fee Fund, after making the monthly deposit into the Bond Fund, may be withdrawn from the Franchise Fee Fund and used, at the option of the City, for other lawful municipal purposes; provided, however, that if the City receives Pledged Revenues only on a quarterly or annual basis, there shall always remain in the Franchise Fee Fund an amount sufficient to make the required payments into the Bond Fund until the next Pledged Revenues are to be received.

Section 10. So long as any of the bonds are outstanding, the City shall not issue or attempt to issue any bonds or obligations claimed to be entitled to a priority of lien on the Pledged Revenues over the lien securing the bonds. The City reserves the right to issue additional bonds to finance or pay the cost of constructing any additional capital improvements or to refund bonds issued for such purpose, but the City shall not authorize or issue any such additional bonds ranking on a parity with the outstanding bonds unless and until there have been procured and filed with the Trustee a certificate signed by the Mayor and City Treasurer stating that the Pledged Revenues for the fiscal year immediately preceding the fiscal year in which it is proposed to issue such additional bonds were equal to not less than 125% of the maximum annual principal and interest requirements on all the then outstanding obligations secured by Pledged Revenues and the additional bonds then proposed to be issued. In making the computation, the City may treat any increase in franchise fees enacted subsequent to the first day of such preceding year as having been in effect throughout that year and may include in Pledged Revenues for such year the amount that would have been received had the increase been in effect throughout such year.

The additional bonds, the issuance of which is restricted and conditioned by this Section, shall be understood to mean bonds secured by Pledged Revenues ranking on a parity of security with the bonds and not bonds secured by Pledged Revenues subordinate in security to the bonds and such bonds may be issued without complying with the terms and conditions hereof.

Section 11. The bonds shall be subject to redemption prior to maturity in accordance with the terms set out in the bond form in Section 5 hereof.

Section 12. The City shall cause proper books of accounts and records to be kept (separate from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the Pledged Revenues, and such books shall be available for inspection by the Trustee and the registered owners of the bonds at reasonable times and under reasonable circumstances. The City agrees to have its financial statements audited by the Joint Legislative Auditing Committee, Division of Legislative Audit of the State of Arkansas, or, at the option of the City, an Accountant, and a copy of the audit shall be delivered to the Trustee and any registered owner of the bonds requesting the same in writing within 30 days after it is received by the City.

Section 13. If there be any default in the payment of the principal of or interest on any of the bonds, or if the City defaults in any Bond Fund requirement or in the performance of any of the other covenants contained in this Ordinance, the Trustee may, and upon written request of one or more of the registered owners of the bonds, shall, by proper suit, compel the performance of the duties of the officials of the City under the laws of the State.

No registered owner of any of the outstanding bonds shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law for the protection or enforcement of any power or right unless such owner previously shall have given to the Trustee written notice of the default on account of which such suit, action or proceeding is to be taken, and unless the registered owners of the bonds shall have made written request of the Trustee after the right to exercise such power or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted to the Trustee, or to institute such action, suit or proceeding in its name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are, at the option of the Trustee, conditions precedent to the execution of any remedy. No registered owner of the bonds shall have any right in any manner whatever by their action to affect, disturb or prejudice the security of this Ordinance, or to enforce any right hereunder except in the manner herein described. All proceedings at law or in equity shall be instituted, had and maintained in the manner herein described and for the benefit of all registered owners of the bonds.

No remedy conferred upon or reserved to the Trustee or to the registered owners of the bonds is intended to be exclusive of any other remedy or remedies, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Ordinance or by law.

No delay or omission of the Trustee or any registered owner of the bonds to exercise any right or power accrued upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein; and every power and remedy given by this Ordinance to the Trustee or to the registered owners of the bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon the written request of the registered owners of the bonds, shall, waive any default which shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted under the provisions of this Ordinance or before the completion of the enforcement of any other remedy, but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

All rights of action under this Ordinance or the bonds, enforceable by the Trustee, may be enforced by it without the possession of the bonds, and any such suit, action or proceeding

instituted by the Trustee shall be brought in its name for the benefit of the registered owners of the bonds, subject to the provisions of this Ordinance.

In any successful proceeding to enforce the provisions of this Ordinance, any plaintiff bondholder shall be entitled to recover from the City all costs of such proceeding, including reasonable attorneys' fees.

Section 14. (a) The terms of this Ordinance shall constitute a contract between the City and the registered owners of the bonds and no variation or change in the undertaking herein set forth shall be made while any of the bonds are outstanding, except as hereinafter set forth in subsections (b) and (c).

(b) The Trustee may consent to any variation or change in this Ordinance without the consent of the owners of the bonds (i) in order to cure any ambiguity, defect or omission herein or to correct or supplement any defective or inconsistent provisions contained herein as the City may deem necessary or desirable and not inconsistent herewith, or (ii) in order to make any other variation or change which the Trustee determines shall not adversely affect the interests of the owners of the bonds.

(c) The owners of not less than 75% in aggregate principal amount of the bonds then outstanding shall have the right, from time to time, anything contained in this Ordinance to the contrary notwithstanding, to consent to and approve the adoption by the City of such ordinance supplemental hereto as shall be necessary or desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Ordinance or in any supplemental ordinance; provided, however, that nothing contained in this Section shall permit or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any bond, or (b) a reduction in the principal amount of any bond or the rate of interest thereon, or (c) the creation of a lien or pledge superior to the lien and pledge created by this Ordinance, or (d) a privilege or priority of any bond or bonds over any other bond or bonds, or (e) a reduction in the aggregate principal amount of the bonds required for consent to such supplemental ordinance.

Section 15. When the bonds have been executed, they shall be authenticated by the Trustee and delivered to or at the direction of the Purchasers upon payment of the Purchase Price. The expenses of issuing the bonds as set forth in the delivery instructions to the Trustee signed by the Mayor and the City Clerk shall be paid. The remainder of the Purchase Price shall be deposited into a special account of the City created in the Trustee and designated "2026 Improvement Fund" (the "Improvement Fund"). The moneys in the Improvement Fund shall be disbursed solely in payment of the costs of the Improvements, paying necessary expenses incidental thereto, and paying expenses of issuing the bonds. Disbursements shall be on the basis of requisitions which shall contain at least the following information: the person to whom payment is being made; the amount of the payment; and the purpose by general classification of the payment. Each requisition must be signed by two persons designated by the City Council.

When the Improvements have been completed and all required expenses paid and expenditures made from the Improvement Fund for and in connection with the Improvements and

the financing thereof, this fact shall be evidenced by a certificate signed by the Mayor, which certificate shall state, among other things, the date of the completion and that all obligations payable from the Improvement Fund have been discharged. A copy of the certificate shall be filed with the Trustee, and upon receipt thereof the Trustee shall deposit any remaining balance into the Bond Fund for the purpose of redeeming the bonds.

Section 16. The bonds shall be deemed to be paid within the meaning of this Ordinance when payment of the principal of and interest on the bonds (whether at maturity or upon redemption as provided herein, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment (1) cash fully insured by the FDIC and/or fully collateralized with Government Securities (as hereinafter defined) sufficient to make such payment and/or (2) direct or fully guaranteed obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America ("Government Securities") (provided that such deposit will not affect the tax exempt status of the interest on any of the bonds or cause any of the bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code), maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee shall have been paid or the payment thereof provided for to the satisfaction of the Trustee.

On the payment of the bonds within the meaning of this Ordinance, the Trustee shall hold in trust, for the benefit of the owners of the bonds, all such moneys and/or Government Securities.

When the bonds shall have been paid within the meaning of this Ordinance, if any arbitrage rebate due the United States Treasury under Section 148(f) of the Code has been paid or provided for to the satisfaction of the Trustee, and if the Trustee has been paid its fees and expenses, the Trustee shall take all appropriate action to cause (i) the pledge and lien of this Ordinance to be discharged and cancelled, and (ii) all moneys held by it pursuant to this Ordinance and which are not required for the payment of such bonds to be paid over or delivered to or at the direction of the City. In determining the sufficiency of the deposit of Government Securities, there shall be considered the principal amount of such Government Securities and interest to be earned thereon until the maturity of such Government Securities.

Section 17. The Trustee shall only be responsible for the exercise of good faith and reasonable prudence in the execution of its duties. The recitals in this Ordinance and in the face of the bonds are the recitals of the City and not of the Trustee. The Trustee shall not be required to take any action as Trustee unless it shall have been requested to do so in writing by the registered owners of the bonds and shall have been offered reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby. The Trustee may resign at any time by giving 60 days' notice in writing to the City Clerk and to the registered owners of the bonds, and the majority in principal amount of the registered owners of the outstanding bonds or the City, so long as the City is not in default under this Ordinance, at any time, with or without cause, may remove the Trustee. In the event of a vacancy in the office of Trustee, either by resignation or by removal, the City shall forthwith designate a new Trustee by a written instrument

filed in the office of the City Clerk. Every successor Trustee appointed pursuant to this Section shall be a trust company or bank in good standing, duly authorized to exercise trust powers and subject to examination by federal or state authority. The original Trustee and any successor Trustee shall file a written acceptance and agreement to execute the duties imposed upon it or them by this Ordinance, but only upon the terms and conditions set forth in this Ordinance and subject to the provisions of this Ordinance, to all of which the respective registered owners of the bonds agree. Such written acceptance shall be filed with the City Clerk and a copy thereof shall be placed in the bond transcript. Any successor Trustee shall have all the powers herein granted to the original Trustee. The Trustee's resignation shall become effective upon the acceptance of the trusts by the successor Trustee.

Section 18. (a) Moneys held for the credit of the Bond Fund shall be continuously invested and reinvested pursuant to the direction of the City, or in the absence of such direction, by the Trustee in its discretion, in Permitted Investments (as hereinafter defined), all of which shall mature, or which shall be subject to redemption by the holder thereof, at the option of such holder, not later than the payment date for interest or principal and interest.

(b) Moneys held for the credit of the Franchise Fee Fund may be continuously invested and reinvested in Permitted Investments or other investments as may, from time to time, be permitted by law, which shall mature, or which shall be subject to redemption by the holder thereof, at the option of such holder, not later than the date or dates when the moneys will be required for the purposes intended.

(c) Moneys held for the credit of the Improvement Fund shall be continuously invested and reinvested pursuant to the direction of the City, or in the absence of such direction, by the Trustee in its discretion, in Permitted Investments or other investments as may, from time to time, be permitted by law, which shall mature, or which shall be subject to redemption by the holder thereof, at the option of such holder, not later than the date or dates when the moneys will be required for the purposes intended.

(d) Obligations so purchased as an investment of moneys in any fund shall be deemed at all times to be a part of such fund and the interest accruing thereon and any profit realized from such investments shall be credited to such fund, and any loss resulting from such investment shall be charged to such fund.

(e) "Permitted Investments" are defined as (i) Government Securities, (ii) direct obligations of an agency, instrumentality or government-sponsored enterprise created by an act of the United States Congress and authorized to issue securities or evidences of indebtedness, regardless of whether the securities or evidences of indebtedness are guaranteed for repayment by the United States Government, (iii) certificates of deposit or demand deposits of banks, including the Trustee, which are insured by the FDIC or, if in excess of insurance coverage, collateralized by Government Securities or other securities authorized by State law to secure public funds or (iv) money market funds invested exclusively in Government Securities and the obligations described in (ii) above.

(f) Moneys so invested in Government Securities or in certificates of deposit of banks to the extent insured by the FDIC, need not be secured by the Trustee or depository bank or banks.

(g) All investments and deposits shall have a par value (or market value when less than par), exclusive of accrued interest at all times at least equal to the amount of money credited to such funds and shall be made in such a manner that the money required to be expended from any fund will be available at the proper time or times.

Section 19. (a) The City covenants that it shall not take any action or suffer or permit any action to be taken or conditions to exist which causes or may cause the interest payable on the bonds to be included in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the City covenants that the proceeds of the sale of the bonds and the Pledged Revenues will not be used directly or indirectly in such manner as to cause the bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code.

(b) The City represents that it will not use or permit the use of the Improvements or the proceeds of the bonds in such manner as to cause the bonds to be "private activity bonds" within the meaning of Section 141 of the Code.

(c) The City covenants that it will take no action which would cause the bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code. Nothing in this Section shall prohibit investments in bonds issued by the United States Treasury.

(d) The City covenants that it will submit to the Secretary of the Treasury of the United States, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the bonds are issued, a statement required by Section 149(e) of the Code.

(e) The City covenants that it will not reimburse itself from proceeds of the bonds for costs paid prior to the date the bonds are issued except in compliance with United States Treasury Regulation §1.150-2 (the "Regulation"). This Ordinance shall constitute an "official intent" for the purpose of the Regulation.

(f) The City covenants that all documents and records related to the bonds and the Improvements will be retained for the life of the bonds plus an additional three (3) years.

(g) The City covenants that it will, in compliance with the requirements of Section 148(f) of the Code, pay to the United States Government in accordance with the requirements of Section 148(f) of the Code, from time to time, an amount equal to the sum of (1) the excess of (A) the amount earned on all Non-purpose Investments (as therein defined) attributable to the bonds, other than investments attributable to such excess over (B) the amount which would have been earned if such Non-purpose Investments attributable to the bonds were invested at a rate equal to the Yield (as defined in the Code) on the bonds, plus (2) any income attributable to the excess described in (1), subject to the exceptions set forth in Section 148 of the Code. The City further covenants that in order to assure compliance with its covenants herein, it

will employ a qualified consultant to advise the City in making the determination required to comply with this subsection.

(h) The bonds are hereby designated as "qualified tax-exempt obligations" within the meaning of the Code. The City represents that the aggregate principal amount of its qualified tax-exempt obligations (excluding "private activity bonds" within the meaning of Section 141 of the Code which are not "qualified 501(c)(3) bonds" within the meaning of Section 145 of the Code), including those of its subordinate entities, issued in calendar year 2026 will not exceed \$10,000,000.

Section 20. In the event the office of Mayor, City Clerk, City Treasurer, or City Council shall be abolished, or such offices shall be merged or consolidated, or in the event the duties of a particular office shall be transferred to another office or officer, or in the event of a vacancy in any such office by reason of death, resignation, removal from office or otherwise, or in the event any such officer shall become incapable of performing the duties of his office by reason of sickness, absence from the City or otherwise, all powers conferred and all obligations and duties imposed upon such office or officer shall be performed by the office or officer succeeding to the principal functions thereof, or by the office or officer upon whom such powers, obligations and duties shall be imposed by law.

Section 21. Stephens Inc. is hereby retained as Placement Agent for the City in connection with the issuance of the bonds.

Section 22. The Mayor is hereby authorized and directed to work with Friday, Eldredge & Clark, LLP, as bond counsel, to develop, adopt and implement written procedures to monitor compliance with federal tax requirements with respect to capital improvement revenue bonds of the City. The Mayor is further authorized to appoint a Responsible Person who will have primary responsibility for monitoring post-issuance tax compliance.

Section 23. Notwithstanding any provision of any ordinance of the City authorizing a franchise fee that is part of the Pledged Revenues, the franchise fees are deemed to be "fees" and not "taxes."

Section 24. The provisions of this Ordinance are hereby declared to be separable and if any provision shall for any reason be held illegal or invalid, such holding shall not affect the validity of the remainder of this Ordinance.

Section 25. All ordinances and resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 26. It is hereby ascertained and declared that the Improvements are immediately needed for the preservation of the public peace, health and safety and to remove existing hazards thereto. The Improvements cannot be accomplished without the issuance of the bonds, which cannot be sold at the interest rate specified herein unless this Ordinance is immediately effective. Therefore, it is declared that an emergency exists and this Ordinance being

necessary for the preservation of the public peace, health and safety shall be in force and take effect immediately upon and after its passage.

PASSED: December 9, 2025.

APPROVED:

ATTEST:

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Mayor

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City Clerk

(SEAL)



## CERTIFICATE

The undersigned, City Clerk of the City of Camden, Arkansas, hereby certifies that the foregoing pages are a true and correct copy of Ordinance No. \_\_\_\_\_, adopted at a regular session of the City Council of the City of Camden, Arkansas, held at the regular meeting place of the City Council in the City at 7:00 p.m., on the 9th day of December, 2025, and that said Ordinance is of record in Ordinance Record Book No. \_\_\_\_\_, Page \_\_\_\_\_, now in my possession.

GIVEN under my hand and seal this 9th day of December, 2025.

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City Clerk

(SEAL)