

ARKANSAS NATURAL RESOURCES COMMISSION

Resolution No. 2020-05

SERIES RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF

\$13,950,000

STATE OF ARKANSAS

WATER, WASTE DISPOSAL AND POLLUTION ABATEMENT FACILITIES

GENERAL OBLIGATION BONDS

TAXABLE REFUNDING SERIES 2020A

Adopted September 16, 2020

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ARKANSAS NATURAL RESOURCES COMMISSION

SERIES RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF
\$13,950,000 STATE OF ARKANSAS
WATER, WASTE DISPOSAL AND POLLUTION ABATEMENT FACILITIES
GENERAL OBLIGATION BONDS, TAXABLE REFUNDING SERIES 2020A

WHEREAS, the State of Arkansas (the "State") has outstanding its Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2012A (the "Series 2012A Bonds"); and

WHEREAS, the Arkansas Natural Resources Commission (the "Commission") has determined that it is in the best interest of the State to refund the Series 2012A Bonds; and

WHEREAS, the Series 2012A Bonds are in the outstanding principal amount of \$13,950,000; and

WHEREAS, the refunding of the Series 2012A Bonds can be accomplished by the issuance of THIRTEEN MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS (\$13,950,000) of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Taxable Refunding Series 2020A (the "Series 2020A Bonds"), pursuant to Act 607 of 1997 (the "Act") and the Constitution of the State and a contribution of approximately \$240,000 of available funds; and

WHEREAS, on June 14, 2000, the Commission adopted a General Resolution providing for the State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities Development Programs, which General Resolution has been amended and supplemented (the "General Resolution"); and

WHEREAS, pursuant to a Preliminary Official Statement, dated September 3, 2020, and an Official Notice of Sale, dated September 3, 2020 (the "Notice of Sale"), the Series 2020A Bonds were offered for public sale on September 10, 2020; and

WHEREAS, at said sale the bids described in Exhibit A attached hereto were received in the form prescribed by the Notice of Sale; and

WHEREAS, the bid for the Series 2020A Bonds of BNY Mellon Capital Markets, LLC, as representative of a group of underwriters (collectively, the "Original Purchaser"), at the price of \$13,913,725.40 (principal amount less \$36,274.60 of underwriters' discount) for the Series 2020A Bonds maturing in the years and bearing interest at the rates set out in such bid, was the lowest and best bid offered; and

WHEREAS, in order to accomplish the refunding of the Series 2012A Bonds, the Commission desires to adopt this Resolution approving and directing the acceptance of the Original Purchaser's bid and further authorizing the issuance of the Series 2020A Bonds as hereinafter provided;

NOW, THEREFORE, be it resolved by the Arkansas Natural Resources Commission, as follows:

ARTICLE I DEFINITIONS

Section 101. Definitions. (1) Except as provided in Paragraph (2) of this Section, all defined terms contained in the General Resolution, Preliminary Official Statement, and Official Statement when used in this Series 2020A Resolution shall have the same meanings as set forth in such General Resolution, Preliminary Official Statement and Official Statement, respectively.

(2) As used in this Series 2020A Resolution, unless the context shall otherwise require, the following terms shall have the following respective meanings:

"Beneficial Owner" shall mean any person who has the power to make investment decisions concerning ownership of the Series 2020A Bonds (including persons holding Series 2020A Bonds through nominees and other intermediaries).

"Notice of Sale" shall mean the Official Notice of Sale, dated September 3, 2020, of the Commission, offering the Series 2020A Bonds for public sale.

"Official Statement" shall mean the Official Statement of the Commission, dated September 10, 2020, utilized in connection with the issuance and delivery of the Series 2020A Bonds.

"Original Purchaser" shall mean BNY Mellon Capital Markets, LLC, as representative of a group of underwriters.

"Preliminary Official Statement" shall mean the Preliminary Official Statement of the Commission, dated September 3, 2020, utilized in connection with the offer and sale of the Series 2020A Bonds.

"Registered Owner" shall mean the owner or owners designated on the face of the Series 2020A Bonds.

"Registrar and Paying Agent" shall mean Simmons Bank, Pine Bluff, Arkansas, a banking institution organized and existing under the laws of the State of Arkansas, its successor or any other corporation which may at any time be substituted in its place pursuant to the General Resolution or this Series 2020A Resolution.

"Series 2012A Bonds" shall mean the State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2012A.

"Series 2020A Bonds" shall mean the State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligations Bonds, Taxable Refunding Series 2020A, in aggregate principal amount of \$13,950,000, authorized pursuant to the terms of this Series 2020A Resolution.

"Series 2020A Resolution" shall mean this Series Resolution authorizing the issuance and sale of \$13,950,000 State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Taxable Refunding Series 2020A, adopted on September 16, 2020.

The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Series 2020A Resolution, refer to this Series 2020A Resolution.

Section 102. Authority for Series 2020A Resolution. This Series 2020A Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

ARTICLE II SALE OF SERIES 2020A BONDS

Section 201. Approval of Documents and Procedure. All actions heretofore taken by the Chairman and the Director of the Commission in connection with the offer and sale of the Series 2020A Bonds as authorized by Resolution No. 2020-02 of the Commission, including the preparation of the Notice of Sale, Preliminary Official Statement and this Series 2020A Resolution, are hereby in all respects ratified and approved. The Preliminary Official Statement, in the form presented to the Commission, is hereby ratified and approved and the execution and delivery by the Chairman of the Preliminary Official Statement to the Original Purchaser for distribution to the owners of the Series 2020A Bonds and other interested persons is likewise ratified and approved.

Section 202. Acceptance of Bid. The acceptance by the Director of the Commission of the bid of the Original Purchaser for the sale of the Series 2020A Bonds (a copy of which Official Bid Form and Acceptance is attached hereto as Exhibit B and made a part hereof) as authorized by Resolution No. 2020-02 of the Commission is hereby in all respects ratified and approved.

ARTICLE III
AUTHORIZATION, TERMS AND ISSUANCE
OF SERIES 2020A BONDS

Section 301. Authorization of Bonds, Principal Amount, Designation and Series. In order to refund the Series 2012A Bonds, which were issued to refinance water, waste disposal, pollution abatement, drainage and flood control, irrigation, and wetlands preservation facilities projects throughout the State pursuant to the Act and in accordance with and subject to the terms, conditions and limitations established in the General Resolution and this Series 2020A Resolution, a series of bonds is hereby authorized to be issued in the aggregate principal amount of THIRTEEN MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS (\$13,950,000). In addition to the title State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, such series of bonds shall bear the additional designation "Taxable Refunding Series 2020A." The Series 2020A Bonds shall be issued in fully registered form. In accordance with the provisions of the Act, the Series 2020A Bonds shall have the same priority of payment as the Series 2012A Bonds.

Section 302. Dated Date. The Series 2020A Bonds shall be dated as of their date of delivery.

Section 303. Book-Entry Only System. (a) The Series 2020A Bonds shall be issued only as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered initially in the name of Cede & Co., as nominee for the Depository Trust Company ("DTC"), which shall be considered to be the Registered Owner of the Series 2020A Bonds for all purposes under this Series 2020A Resolution, including, without limitation, payment by the State of principal of, redemption price, premium, if any, and interest on the Series 2020A Bonds, and receipt of notices and exercise of rights of Registered Owners. There shall be one Series 2020A Bond for each stated maturity date which shall be immobilized in the custody of or on behalf of DTC with the Beneficial Owners having no right to receive the Series 2020A Bonds in the form of physical securities or certificates. DTC and its participants shall be responsible for maintenance of records of the ownership of beneficial interests in the Series 2020A Bonds by book-entry on the system maintained and operated by DTC and its participants, and transfers of ownership of beneficial interests shall be made only by DTC and its participants, by book-entry, the State having no responsibility therefor. DTC is expected to maintain records of the positions of participants in the Series 2020A Bonds, and the participants and persons acting through participants are expected to maintain records of the purchasers of beneficial interests in the Series 2020A Bonds. The Series 2020A Bonds as such shall not be transferable or exchangeable, except for transfer to another securities depository or to another nominee of a securities depository, without further action by the State.

(b) If any securities depository determines not to continue to act as a securities depository for the Series 2020A Bonds for use in a book-entry system, the State may establish a securities depository/book-entry system relationship with another securities depository. If the State does not or is unable to do so, or upon request of the owners of all outstanding Series 2020A Bonds, the State and the Registrar and Paying Agent, after the Registrar and Paying

Agent has made provision for notification of the Beneficial Owners by the then securities depository, shall permit withdrawal of the Series 2020A Bonds from the securities depository, and authenticate and deliver Series 2020A Bond certificates in fully registered form (in denominations of \$5,000 or integral multiples thereof) to the assigns of the securities depository or its nominee, all at the cost and expense (including costs of printing definitive Series 2020A Bonds) of the State or of the Beneficial Owners of the Series 2020A Bonds.

(c) Prior to issuance of the Series 2020A Bonds the State shall have executed and delivered to DTC a written agreement (the "Representation Letter") setting forth (or incorporating therein by reference) certain undertakings and responsibilities of the State with respect to the Series 2020A Bonds so long as the Series 2020A Bonds or a portion thereof are registered in the name of Cede & Co. (or a substitute nominee) and held by DTC. Notwithstanding such execution and delivery of the Representation Letter, the terms thereof shall not in any way limit the provisions of this Section or in any other way impose upon the State any obligation whatsoever with respect to persons having interests in the Series 2020A Bonds other than the Registered Owners, as shown on the registration books kept by the Registrar and Paying Agent. The Registrar and Paying Agent shall take all action necessary for all representations of the State in the Representation Letter with respect to the Registrar and Paying Agent to at all times be complied with.

(d) The authorized officers of the Registrar and Paying Agent and the State shall do or perform such acts and execute all such certificates, documents and other instruments as they or any of them deem necessary or advisable to facilitate the efficient use of a securities depository for all or any portion of the Series 2020A Bonds; provided that neither the Registrar and Paying Agent nor the State may assume any obligations to such securities depository or Beneficial Owners of Series 2020A Bonds that are inconsistent with their obligations to any Registered Owner under this Series 2020A Resolution.

Section 304. Annual Debt Service Requirements. The Series 2020A Bonds mature (or become subject to mandatory sinking fund redemption) on July 1 in the years 2021 through 2026 in the principal amounts listed below. The Series 2020A Bonds shall bear interest from the date of delivery, expected on September 30, 2020, payable January 1, 2021, and semiannually thereafter on January 1 and July 1 in each year at the rates shown below. The following table reflects amounts required to pay debt service on the Series 2020A Bonds.

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Debt Service Requirements

<u>Payment Date</u>	<u>Principal Due</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Annual Debt Service</u>
July 1, 2021	\$2,425,000	0.20%	\$38,423.66	\$ 2,463,423.66
July 1, 2022	2,420,000	0.25	46,192.50	2,466,192.50
July 1, 2023	2,475,000	0.30	40,142.50	2,515,142.50
July 1, 2024	2,485,000	0.45	32,717.50	2,517,717.50
July 1, 2025	2,525,000	0.50	21,535.00	2,546,535.00
July 1, 2026	1,620,000	0.55	8,910.00	1,628,910.00
Total	\$13,950,000		\$187,921.16	\$14,137,921.16

Section 305. Denominations, Numbers and Letters. The Series 2020A Bonds shall be issued in denominations of \$5,000, or any integral multiple thereof. The Series 2020A Bonds shall be numbered from "1" consecutively upwards in order of issuance.

Section 306. Registrar and Paying Agent. Pursuant to the General Resolution, Simmons Bank, Pine Bluff, Arkansas, has been appointed the Registrar and Paying Agent for the Series 2020A Bonds, subject to Section 901 of the General Resolution. Principal on the Series 2020A Bonds shall be payable at the principal corporate trust office of the Paying Agent.

Payment of interest on the Series 2020A Bonds shall be made on each interest payment date to the Registered Owner thereof as of the fifteenth (15th) business day immediately preceding such interest payment date (the "Record Date"). So long as the book-entry only system is in use, interest will be paid pursuant to the provisions of Section 303, **Book-Entry Only System**, of this Series 2020A Resolution. In the event that, for whatever reason, the State discontinues use of the book-entry only system, interest on the Series 2020A Bonds shall be paid by check or draft mailed to the Registered Owner at the address as it appears on the registration books of the State or at such other address as is furnished to the Paying Agent in writing by such Registered Owner, or, at the sole discretion of the Paying Agent, in immediately available funds by wire transfer to the account designated by such Registered Owner. So long as the book-entry only system is in use, interest will be paid pursuant to the provisions of Section 303 of this Series 2020A Resolution.

Section 307. Optional Redemption. The Series 2020A Bonds are not subject to redemption and payment at the option of the Commission.

Section 308. [RESERVED].

Section 309. [RESERVED].

Section 310. [RESERVED].

Section 311. Approval of Final Official Statement. The preparation of the Official Statement is hereby approved and the execution and delivery by the Chairman of the Official Statement to the Original Purchaser for distribution to the owners of the Series 2020A Bonds and other interested persons is hereby authorized.

Section 312. Delivery of Series 2020A Bonds. The Series 2020A Bonds shall be delivered to or at the direction of the Original Purchaser, upon compliance with the provisions of Section 202 of the General Resolution, at the time and place provided in the Notice of Sale.

Section 313. Further Authority. The Chairman, or the Vice Chairman if the Chairman shall be unavailable, and the Director of the Commission are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as they or any of them deem necessary or advisable to provide for the issuance, sale and delivery of the Series 2020A Bonds. The Chairman of the Commission as specified by the Act is hereby authorized to execute and deliver the Series 2020A Bonds.

Section 314. Approval of Continuing Disclosure Agreement. There is hereby authorized the execution and delivery of a Continuing Disclosure Agreement (the "Agreement") for the Series 2020A Bonds by and between the Registrar and Paying Agent and the Commission, and the Chairman, or the Vice Chairman if the Chairman shall be unavailable, of the Commission are hereby authorized to execute, acknowledge and deliver the Agreement. The Agreement is hereby approved in substantially the form submitted to the Commission at this meeting, and the officers of the Commission are hereby authorized to confer with the Registrar and Paying Agent in order to complete the Agreement with such changes and additions as shall be approved by such persons executing the Agreement, their execution to constitute conclusive evidence of such approval. A copy of the Agreement is attached hereto as Exhibit "C".

ARTICLE IV
APPLICATION OF SERIES 2020A BOND PROCEEDS

Section 401. Application of Proceeds. The proceeds of the Series 2020A Bonds shall be deposited into the following subaccounts to be established and held by the Registrar and Paying Agent, as the designated agent of the Treasurer of the State:

(1) Into the Series 2020A Cost of Issuance Subaccount of Program Fund Account B to be established and held by the Registrar and Paying Agent, the portion of the proceeds needed to pay the Costs of Issuance of the Series 2020A Bonds; and

(2) Into the Series 2020A Subaccount of Program Fund Account B to be established and held by the Registrar and Paying Agent for the benefit of the owners of the Series 2012A Bonds, the balance of the proceeds.

Section 402. Additional Funds and Accounts. The Authorized Representative may, by Certificate furnished to the Treasurer or the Registrar and Paying Agent, direct such other transfers and application of moneys held by the Treasurer or the Registrar and Paying Agent as shall be required consistent with the terms of the Act and the General Resolution.

Section 403. Funds Held for Series 2012A Bonds. There shall be deposited into the Series 2020A Subaccount of Program Fund Account B, from the funds allocated to debt service payments on the Series 2012A Bonds and other available funds, such additional funds as necessary to refund the Series 2012A Bonds.

ARTICLE V
FORM OF SERIES 2020A BONDS

Section 501. Form of Bonds. Subject to the provisions of the General Resolution, each Series 2020A Bond shall be in substantially the following form, with such insertions or variations as to any redemption or amortization provisions and such other insertions or omissions, endorsements and variations as may be required or permitted by the General Resolution.

REGISTERED
No. R-___

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF ARKANSAS
WATER, WASTE DISPOSAL AND POLLUTION ABATEMENT FACILITIES
GENERAL OBLIGATION BOND
TAXABLE REFUNDING SERIES 2020A

Interest Rate: _____% Maturity Date: July 1, _____ Dated Date: _____, 2020 CUSIP: _____

Registered Owner: Cede & Co.

Maturity Amount: _____ Dollars

The State of Arkansas (the "State"), pursuant to the Constitution of the State and Act No. 607 of Acts of the General Assembly of the State of Arkansas for the year 1997 (the "Act"), for value received, promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date hereof, the principal sum of the Maturity Amount specified above, and in like manner to pay interest on said sum from the Dated Date hereof at the Interest Rate stated herein per annum semiannually on each January 1 and July 1, commencing January 1, 2021 (each such date being an "Interest Payment Date"), until said principal sum is paid, except as the provisions hereinafter set forth with respect to redemption of this Series 2020A Bond prior to maturity may become applicable hereto. The principal of this Series 2020A Bond is payable in lawful money of the United States of America at the principal office of Simmons Bank in Pine Bluff, Arkansas, or its successor, as Registrar and Paying Agent (the "Registrar" or "Paying Agent"). Each interest payment shall be made to the person or entity identified as the Registered Owner on the Record Date, irrespective of any transfer or exchange of this Series 2020A Bond subsequent to such Record Date and prior to such interest payment date. Interest on this Series 2020A Bond shall be paid by check, draft or wire transfer of the Paying Agent sent to the Registered Owner hereof. "Record Date" means the 15th day of the month immediately preceding each interest payment date.

This bond is one of an authorized issue of State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Taxable Refunding Series 2020A, in the original aggregate principal amount of \$13,950,000 (the "Series 2020A Bonds") issued for the purpose of refunding the State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Refunding Series 2012A, which were issued to refinance water, waste disposal, pollution abatement, drainage and flood control and wetlands preservation facilities and prevention, irrigation, drainage and flood control and wetlands preservation facilities projects pursuant to the Act and approved by the Arkansas Natural Resources Commission (the "Commission").

THE SERIES 2020A BONDS ARE GENERAL OBLIGATIONS OF THE STATE FOR WHICH THE FULL FAITH, CREDIT AND RESOURCES OF THE STATE ARE PLEDGED.

The Series 2020A Bonds are all issued under and are equally and ratably secured by and entitled to the protection of the Commission's "General Resolution Providing for the State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities Development Programs," as amended and supplemented (the "General Resolution"), and "Series Resolution Authorizing the Issuance and Sale of State of Arkansas \$13,950,000 Water, Waste Disposal and Pollution

Abatement Facilities General Obligation Bonds, Taxable Refunding Series 2020A" (the "Series Resolution"), both as duly adopted by the Commission (collectively, the "Bond Resolution"). All bonds, including the Series 2020A Bonds, issued and to be issued under the General Resolution are called the "Bonds" herein. The Act and the General Resolution provide that the State may issue one or more series of Bonds from time to time, not to exceed \$260,345,000 in aggregate principal amount (including the Series 2020A Bonds), under certain terms and conditions contained in the General Resolution and such additional Bonds will rank pari passu with the Series 2020A Bonds and be equally and ratably secured by and entitled to the protection of the Act and the General Resolution. As further provided in the Act, to the extent other general obligation bonds of the State may have been issued or may subsequently be issued, all such general obligation bonds shall rank on a parity of security with respect to payment from the general revenues of the State. Reference is hereby made to the General Resolution, as amended from time to time, and the Series Resolution, for a description of the provisions, among others, with respect to the nature and extent of the security, rights, duties and obligations of the State, the Commission, the Registrar and the Registered Owners of the Series 2020A Bonds and the terms upon which the Series 2020A Bonds are issued and secured.

This Series 2020A Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent or its successor, but only in the manner, subject to the limitations and upon payment of the charges provided in the General Resolution, and upon surrender and cancellation hereof. Upon such transfer a new registered Series 2020A Bond or Series 2020A Bonds of the same maturity and interest rate and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

Neither the Commission nor the Paying Agent shall be required to issue, register, transfer or exchange any Series 2020A Bonds during a period beginning at the opening of business on the fifteenth business day next preceding any Interest Payment Date and ending at the close of business on the Interest Payment Date, or in the case of any proposed redemption of Series 2020A Bonds, after sending notice calling such Series 2020A Bonds or portions thereof for redemption as provided in the General Resolution.

The owner of this Series 2020A Bond is required to give the Registrar written notice of ownership of this Series 2020A Bond and of the address to which interest payments are to be mailed. The State and the Registrar may deem and treat the person in whose name this Series 2020A Bond is registered as the absolute owner hereof (whether or not this Series 2020A Bond shall be overdue) for the purpose of receiving payment of, or on account of, principal hereof and interest due hereon and for all other purposes, and neither the State nor the Registrar shall be affected by any notice to the contrary.

The Series 2020A Bonds are issuable as fully registered bonds in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and upon payment of the charges provided in the General Resolution, the Series 2020A Bonds may be exchanged for a like aggregate principal amount of fully registered Series 2020A Bonds of other authorized denominations of the same maturity.

The Series 2020A Bonds are not subject to redemption and payment prior to maturity at the option of the Commission.

The General Resolution provides for the supplementation or amendment thereof, without the necessity of obtaining the consent of any owner of the Bonds, pursuant to a resolution adopted by the Commission to modify any of the provisions thereof, provided that such modification will not diminish the security of any owner of the Bonds.

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 execution and delivery of, the General Resolution and the issuance of this Series 2020A Bond do exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the State has caused this Series 2020A Bond to be executed in its name by the manual or facsimile signatures of its Governor, Treasurer of State, and the Chairman of the Natural Resources Commission of the State, and pursuant to the Act has impressed or has caused a facsimile of the Great Seal of the State to be affixed hereto or imprinted hereon.

By: _____
Chairman, Arkansas Natural
Resources Commission

By: _____
Governor

By: _____
Treasurer of State

(Facsimile of Great
Seal of State)

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2020A Bonds described herein.

Date of Authentication: _____, 2020

SIMMONS BANK
Pine Bluff, Arkansas, as Registrar

By _____
Authorized Signature

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books of the State maintained by the Registrar for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever, and must be guaranteed by a guarantor satisfactory to the Registrar.

GUARANTEED BY:

ARTICLE VI
FURTHER TAX COVENANTS

Section 601. [RESERVED].

ARTICLE VII
MISCELLANEOUS

Section 701. Effective Date. This Series 2020A Resolution shall take effect immediately.

Section 702. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Series 2020A Resolution on the part of the State, the Commission, or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Series 2020A Resolution.

Section 703. Successors. Whenever in this Series 2020A Resolution the Commission is named or referred to, it shall be deemed to include the board, body, commission, authority, agency, department or instrumentality of the State succeeding to the principal functions and powers of the Commission, and all the covenants and agreements in this Series 2020A Resolution contained by or on behalf of the Commission shall bind and inure to the benefit of said successor whether so expressed or not.

Section 704. Headings. Any headings preceding the texts of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Series 2020A Resolution, nor shall they affect its meaning, construction or effect.

Section 705. Governing Law. Interpretation and enforceability of the Series 2020A Bonds, the General Resolution and this Series 2020A Resolution shall be governed by the laws of the State.

[Remainder of page intentionally left blank]

ADOPTED AND APPROVED this 16th day of September, 2020.

ARKANSAS NATURAL RESOURCES
COMMISSION

Bill Poynter, Chairman

ATTEST:

Bruce Holland, Director

(SEAL)

EXHIBIT A

Summary of Sealed Bids Received September 10, 2020
in Form Required by Notice of Sale

<u>Representative Bidder</u>	<u>TIC</u>	<u>Purchase Price</u>
BNY Mellon Capital Markets, LLC	0.515931%	\$13,913,725.40
Piper Sandler & Co	0.568503	13,921,899.25
SAMCO Capital Markets	0.588417	13,910,721.15
Truist Securities, Inc.	0.617078	14,044,805.10
Crews & Associates, Inc.	0.632854	13,892,545.09
Morgan Stanley & Co., LLC	0.638291	13,927,133.22
Robert W. Baird & Co., Inc.	0.657171	14,065,489.00
J.P. Morgan Securities LLC	0.718111	13,925,536.50

*The principal amount of bonds per maturity was adjusted by the Commission and approved by the Original Purchaser. This adjustment resulted in a final TIC (0.515660%) that was different from the original bid.

EXHIBIT B

BID FORM OF ORIGINAL PURCHASER

Upcoming Calendar	Overview	Result	Excel
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**BNYMellon Capital Markets - Pittsburgh , PA's Bid
Arkansas**



**\$13,950,000 Water, Waste Disposal and Pollution Abatement
Facilities General Obligation Bonds, Taxable
Refunding Series 2020A**

For the aggregate principal amount of \$13,950,000.00, we will pay you \$13,913,725.40, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
07/01/2021	2,420M	0.2000
07/01/2022	2,410M	0.2500
07/01/2023	2,470M	0.3000
07/01/2024	2,485M	0.4500
07/01/2025	2,530M	0.5000
07/01/2026	1,635M	0.5500

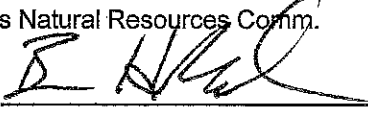
Total Interest Cost: \$188,421.94
 Discount: \$36,274.60
 Net Interest Cost: \$224,696.54
 TIC: 0.515931
 Time Last Bid Received On:09/10/2020 9:59:38 CDST

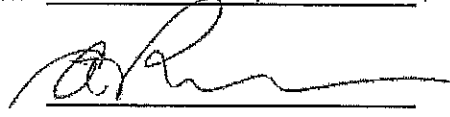
This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: BNYMellon Capital Markets, Pittsburgh , PA
 Contact: Luke Guglielmo
 Title: Trader
 Telephone:212-815-2655
 Fax:

Issuer Name: State of Arkansas
 Arkansas Natural Resources Comm.

Company Name: BNY Mellon Capital Markets, LLC

Accepted By: 
 Bruce Holland, Director

Accepted By: 
 Andrew Richless Director

Date: September 10, 2020

Date: 9/10/2020

EXHIBIT C

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by the Arkansas Natural Resources Commission (the "Issuer"), a duly authorized agency of the State of Arkansas (the "State") by and on behalf of the State, and Simmons Bank, the Bond Registrar and Paying Agent (the "Paying Agent"), as the Dissemination Agent, which covenants and agrees for the benefit of the Beneficial Owners of the \$13,950,000 State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Taxable Refunding Series 2020A (the "Series 2020A Bonds") issued under the "General Resolution Providing for the State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities Development Programs," as amended (the "General Resolution"), and the "Series Resolution Authorizing the Issuance and Sale of \$13,950,000 State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bonds, Taxable Refunding Series 2020A" (the "Series Resolution"), and as the same may be amended or supplemented from time to time in accordance with the provisions thereof (collectively, the "Resolution") as follows:

Section 1. Purpose of the Disclosure Statement. This Disclosure Agreement is being executed and delivered by the Issuer on behalf of the State and the Paying Agent for the benefit of the Beneficial Owners and in order to assist the Participating Underwriter in complying with, and constitutes the written undertaking for the benefit of the Beneficial Owners of the Series 2020A Bonds required by, Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. § 240.15c2-12) (the "Rule").

The Issuer, as an "obligated person" within the meaning of the Rule, undertakes to provide the following information as provided in this Disclosure Agreement:

- (a) Annual Financial Information;
- (b) Audited Financial Statements, if any; and
- (c) Listed Event Notices.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"*Annual Financial Information*" means the financial information (which shall be prepared in accordance with generally accepted accounting principles ("GAAP") for governmental units as prescribed by the Governmental Accounting Standard Boards ("GASB") which are applicable to information of the type being provided) with respect to the State, provided at least annually, consisting of the information contained in the State's Comprehensive Annual Financial Report attached as Appendix D to the Issuer's Official Statement dated September 10, 2020, which Annual Financial Information may, but is not required to include Audited Financial Statements. Any or all of such information may be included in the Annual Financial Information by specific reference to

other documents, including Final Official Statements of debt issues of the Issuer or related public entities, which have been previously provided to the MSRB. The Issuer shall clearly identify in the Annual Financial Information each such other document so included by reference.

"*Audited Financial Statements*" means the State's annual financial statements, prepared in accordance with GAAP for governmental units as prescribed by GASB, which financial statements shall have been audited by a firm of independent certified public accountants or such auditor as shall be required or permitted by the State.

"*Beneficial Owner*" of a Series 2020A Bond shall mean any person who has the power, directly or indirectly, to make investment decisions concerning ownership of any Series 2020A Bond (including any person who holds a Series 2020A Bond through a nominee, depository, or other intermediary).

"*Dissemination Agent*" means Simmons Bank, Pine Bluff, Arkansas, as the Bond Registrar and Paying Agent or the Issuer, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer and the Paying Agent a written acceptance of such designation.

"*EMMA*" means the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule.

"*Financial Obligation*" shall mean a

- (A) debt obligation;
- (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or
- (C) guarantee of obligations described in (A) or (B).

The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"*Final Official Statement*" means a document or set of documents prepared by an issuer of municipal securities or its representatives setting forth, among other matters, information concerning the issuer of such municipal securities and the proposed issue of securities that is complete as of the date of delivery of the document or set of documents to the Participating Underwriter.

"*Listed Event*" means any of the following events with respect to the Series 2020A Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.

4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security.
7. Modifications to rights of security holders, if material.
8. Bond calls (excluding mandatory sinking fund redemptions), if material.
9. Defeasances and tender offers.
10. Release, substitution, or sale of property securing repayment of the securities, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the obligated person.
13. The consummation of a merger, consolidation or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material.
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriters of the Series 2020A Bonds required to comply with the Rule in connection with an initial offering of the Series 2020A Bonds.

Section 3. *Provision of Annual Reports.* (a) While any of the Series 2020A Bonds are outstanding, the Issuer shall, or shall cause the Dissemination Agent to, provide the Annual Financial Information on or before 270 days after the end of the State's fiscal year (the "Report Date"), beginning with the fiscal year ended June 30, 2020, to the MSRB, through its continuing disclosure service portal provided through EMMA at <http://www.emma.msrb.org> or any similar system acceptable to the Securities and Exchange Commission. The Annual Financial Information shall be in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB. Not later than 15 business days prior to said date, the Issuer shall provide the Annual Financial Information to the Dissemination Agent. The Issuer shall include with each such submission of Annual Financial Information to the Dissemination Agent a written representation to the effect that the Annual Financial Information is the Annual Financial Information required to be provided by it pursuant to this Disclosure Agreement and that it complies with the applicable requirements of this Disclosure Agreement. In each case, the Annual Financial Information may be submitted as a single document or as a set of documents, and all or any part of such Annual Financial Information may be provided by specific cross-reference to other documents previously provided to the MSRB.

(b) If not provided as part of the Annual Financial Information, the Issuer shall, or shall cause the Dissemination Agent to, provide the Audited Financial Statements when and if available while any of the Series 2020A Bonds are Outstanding to the MSRB.

(c) If by 15 business days prior to a Report Date the Dissemination Agent has not received a copy of the Annual Financial Information, the Dissemination Agent shall contact the Issuer to notify it that the Dissemination Agent has not received the Annual Financial Information and remind the Issuer that such information must be provided to the MSRB by the Report Date. For the purposes of determining whether information received from the Issuer is Annual Financial Information, the Dissemination Agent shall be entitled to rely conclusively on the Issuer's written representation made pursuant to clause (a) of this Section.

(d) The Dissemination Agent shall file a report with the Issuer certifying that the Annual Financial Information has been provided pursuant to this Disclosure Agreement and stating the date it was provided to the MSRB.

(e) If the Dissemination Agent does not receive the Annual Financial Information, the Dissemination Agent shall, without further direction or instruction from the Issuer, provide in a timely manner to the MSRB notice of any failure by the Issuer while any of the Series 2020A Bonds are Outstanding to provide to the Dissemination Agent Annual Financial Information on or before the Report Date.

Section 4. *Reporting of Listed Events.* (a) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer agrees to report such occurrence to the Dissemination Agent in a timely manner, not in excess of ten (10) business days after the occurrence of such Listed Event.

(b) If the Dissemination Agent has received notice of the occurrence of a Listed Event or has knowledge of the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB through its continuing disclosure service portal provided through

EMMA at <http://www.emma.msrb.org>, or any other similar system that is acceptable to the Securities Exchange Commission. Each notice of the occurrence of a Listed Event shall be filed in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 5. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall automatically terminate once the Series 2020A Bonds are no longer outstanding. Any provision of this Disclosure Agreement shall be null and void in the event the Issuer delivers an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require the provisions of such undertaking or portion thereof are invalid, have been repealed retroactively or otherwise do not apply to the Series 2020A Bonds; provided that the Issuer shall have provided notice of such delivery and the cancellation of such undertaking or provision thereof to the MSRB.

Section 6. Dissemination Agent. (a) The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

(b) Unless otherwise required by law and subject to technical and economic feasibility, the Issuer and the Dissemination Agent shall employ such methods of information transmission as shall be requested or recommended by the designated recipients of the Issuer's information.

Section 7. Additional Information. (a) Nothing in the Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in the Disclosure Agreement or any other means of communication, or including any other information in any Annual Financial Information or notice of occurrence of a Listed Event, in addition to that which is required by the Disclosure Agreement.

(b) If the Issuer chooses to include any information in any Annual Financial Information or notice of occurrence of a Listed Event, in addition to that which is specifically required by the Disclosure Agreement, the Issuer shall have no obligation under the Disclosure Agreement to update such information or include it in any future Annual Financial Information or notice of occurrence of a Listed Event.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and Paying Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived by the parties hereto, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the Issuer, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, provided that the Issuer shall have provided notice of such delivery and of the amendment to the MSRB.

Section 9. *Default.* (a) In the event of a failure of the Issuer or the Dissemination Agent to comply with any provision of this Disclosure Agreement, any Beneficial Owner may seek mandate or specific performance by court order or any other such action as may be necessary and appropriate, to cause the Issuer to comply with its obligations under this Disclosure Agreement.

(b) Notwithstanding the provisions of (a) above, no Beneficial Owner shall have any right to take any action to challenge the adequacy of the information provided in accordance with the Disclosure Agreement unless the Beneficial Owners of at least 25 percent aggregate principal amount of Outstanding Series 2020A Bonds shall have made written requests to the Dissemination Agent to take such action in its own name and shall have offered the Dissemination Agent reasonable indemnity, and the Dissemination Agent, for 60 days after its receipt of notice, request, and offer of indemnity, has failed to institute any such action.

(c) A default under this Disclosure Agreement shall not be deemed an Event of Default under the Resolution, and the rights and remedies provided by the Resolution upon the occurrence of an "Event of Default" shall not apply to any such failure. The Issuer shall not be liable for any breach of its obligations under this Section unless such breach is the result of willful or reckless actions or omissions. The sole remedy under this Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance and the Issuer, its members, officers and employees shall incur no liability under this Agreement by reason of any act or failure to act hereunder. Without limiting the generality of the foregoing, neither the commencement nor the successful completion of an action to compel performance under this Section shall entitle any person to attorney's fees, financial damages of any sort or any other relief other than an order or injunction compelling performance.

Section 10. *Duties, Immunities and Liabilities of Dissemination Agent.* The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2020A Bonds.

Section 11. *Beneficiaries.* This Disclosure Agreement shall inure solely to the benefit of the Issuer and the Beneficial Owners from time to time of the Series 2020A Bonds or any interest therein, and shall create no rights in any other person or entity.

Section 12. *Interpretation.* It being the intention of the parties that there be full and complete compliance with the Rule, this Disclosure Agreement shall be construed in accordance with the written interpretative guidance and no-action letters published from time to time by the Securities and Exchange Commission and its staff with respect to the Rule.

Section 13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Choice of Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Arkansas, provided that to the extent this Disclosure Agreement addresses matters of federal securities laws, including the Rule, this Disclosure Agreement shall be construed in accordance with such federal laws and official interpretations thereof.

Dated: _____, 2020.

ARKANSAS NATURAL RESOURCES
COMMISSION

By: _____
Chairman

ACCEPTED:

SIMMONS BANK
AS DISSEMINATION AGENT

By: _____
Authorized Officer

