

ORDINANCE NO. B-413

AN ORDINANCE AUTHORIZING THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS FOR THE PURPOSE OF PROVIDING PERMANENT FINANCING FOR INDUSTRIAL FACILITIES; AUTHORIZING A FIRST SUPPLEMENTAL TRUST INDENTURE SECURING THE BONDS; AUTHORIZING A FIRST SUPPLEMENTAL LOAN AGREEMENT BETWEEN THE CITY OF ARKADELPHIA, ARKANSAS AND SIPLAST, INC.; AUTHORIZING THE SALE OF THE BONDS; AUTHORIZING AND PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Arkadelphia, Arkansas (the "City"), is authorized and empowdered under the provisions of Act No. 9 of the First Extraordinary Session of the Sixty-Second General Assembly of the State of Arkansas, approved January 21, 1970, as amended (the "Act"), to issue revenue bonds and to expend the proceeds thereof to finance the acquisition, construction and equipment of land, buildings or facilities which can be used in securing or developing industry; and

WHEREAS, the City has heretofore issued its Industrial Development Revenue Bonds - Siplast Project, Series A, dated March 1, 1980, in the aggregate principal amount of \$3,000,000, for the purpose of acquiring, constructing and equipping certain industrial facilities consisting of lands, buildings, improvements, machinery, equipment and facilities at the City (the "Project") to be operated by Siplast, Inc., a New York corporation (the "Company"); and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the City is now prepared to proceed with financing the Project and to issue and sell \$500,000 in principal amount of its Industrial Development Revenue Bonds - Siplast Project, Series B (the "Bonds"), to provide such financing; and

WHEREAS, copies of the hereinafter described First Supplemental Trust Indenture and First Supplemental Loan Agreement have been presented to and are before this meeting;

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the City of Arkadelphia, Arkansas:

Section 1. That the issuance of the Bonds is hereby authorized. The Bonds shall be issued in the forms and denominations, shall be dated, shall be numbered, shall mature (over a period not to exceed thirty (30) years), shall bear interest (at a rate or rates), and shall be subject to redemption

prior to maturity all upon the terms and conditions recommended by the Company and to be set forth in the Trust Indenture (hereinafter authorized) securing the Bonds.

Section 2. That the Bonds be sold to First City National Bank of Houston, Houston, Texas (the "Purchaser"), for the purpose price of 100 cents on the dollar plus accrued interest, which purchase price is recommended by the Company.

Section 3. That to prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, issued and accepted, held and secured, the Mayor is hereby authorized and directed to execute and acknowledge a First Supplemental Trust Indenture by and between the City and First National Bank of Houston, Houston, Texas, which will act as Trustee thereunder, dated as of the date of the Bonds (the "First Supplemental Trust Indenture"), and the City Clerk is hereby authorized and directed to execute and acknowledge the First Supplemental Trust Indenture and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the First Supplemental Indenture to be accepted, executed and acknowledged by the Trustee. The First Supplemental Indenture is hereby approved in substantially the form submitted to this meeting, the Mayor is hereby authorized to confer with the Trustee, the Company and the Purchaser in order to complete the First Supplemental Indenture in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

Section 4. That there be, and there is hereby authorized the execution and delivery of a First Supplemental Loan Agreement by and between the City and the Company (the "First Supplemental Loan Agreement"), and the Mayor and City Clerk be, and they are hereby, authorized to execute, acknowledge and deliver the First Supplemental Loan Agreement for and on behalf of the City. The First Supplemental Loan Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the Company, the Trustee and the Purchaser in order to complete the First Supplemental Loan Agreement in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

Section 5. That the Mayor and City Clerk, for and on behalf of the City, be, and they are hereby, authorized and directed to do any and all things necessary to effect the execution and delivery of the First Supplemental Loan Agreement, the performance of all obligations of the City under the First

Supplemental Loan Agreement, the execution and delivery of the First Supplemental Indenture, the performance of all obligations of the City under and pursuant to the First Supplemental Indenture, the issuance, execution, sale and delivery of the Bonds, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. That the Mayor and City Clerk be, and they are hereby, further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 6. That the City is hereby involved with the acquiring, constructing and equipping of industrial facilities, and pursuant to applicable laws of the State of Arkansas, including particularly the Act, competitive bidding is waived.

Section 7. That the City Clerk is hereby authorized and directed to file in the office of the City Clerk, as a part of the minutes of the meeting at which this Ordinance is adopted, for inspection by any interested person a copy of the First Supplemental Indenture, First Supplemental Loan Agreement, and such documents shall be on file for inspection by any interested person.

Section 8. That the law firm of Friday, Eldredge & Clark, Little Rock, Arkansas, be appointed to act as Bond Counsel on behalf of the City in connection with the issuance and sale of the Bonds.

Section 9. That the provisions of this Ordinance are hereby declared to be separable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 10. That all ordinances, resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 11. That there is hereby found and declared to be an immediate need for the securing and developing of industry in order to provide employment and payrolls, alleviate unemployment and otherwise benefit the public health, safety and welfare of the City and the inhabitants thereof, and the issuance of the Bonds authorized hereby and the taking of the other action authorized hereby are immediately necessary for the accomplishing of these public benefits and purposes. It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of the public peace, health and safety

shall be in force and effect immediately upon and after its passage.

PASSED: March 4, 1982.

ATTEST:

Shirley A. Loy
City Clerk

APPROVED:

Stacy A. Callaway
Mayor

(SEAL)