

RESOLUTION NO. 2011-01

of the

ARKANSAS NATURAL RESOURCES COMMISSION

A Resolution Approving the Adoption by the Arkansas Development Finance Authority (ADFA) of a "Series Resolution Authorizing the Issuance of Revolving Loan Fund Revenue Bonds, Not to Exceed \$15,000,000 2011 Refunding Series A, and Not to Exceed \$20,000,000 2011 Taxable Refunding Series B"; Approving the issuance of the Bonds by ADFA; Approving a Bond Purchase Agreement and a Continuing Disclosure Agreement; and Prescribing Other Matters Pertaining Thereto

BE IT RESOLVED BY THE ARKANSAS NATURAL RESOURCES COMMISSION AS FOLLOWS:

1. There is hereby approved the adoption by ADFA of a "Series Resolution Authorizing the Issuance of Revolving Loan Fund Revenue Bonds, Not to Exceed \$15,000,000 2011 Refunding Series A, and Not to Exceed \$20,000,000 2011 Taxable Refunding Series B," in substantially the form presented at this meeting, with such changes as shall be approved by the person executing the approval of the resolution, his execution to constitute conclusive evidence of such approval, and the issuance of (a) a series of Revolving Loan Fund Revenue Bonds under ADFA's "Revolving Loan Fund Revenue Bond Program General Bond Resolution" adopted May 5, 2009, in the aggregate principal amount of not to exceed \$15,000,000 to be designated "Revolving Loan Fund Revenue Bonds, 2011 Refunding Series A" for the purpose of currently refunding ADFA's Wastewater System Revolving Loan Fund Revenue Bonds, 2004 Refunding Series A, dated May 1, 2004, and (b) a series of Revolving Loan Fund Revenue Bonds under ADFA's "Revolving Loan Fund Revenue Bond Program General Bond Resolution" adopted May 5, 2009, in the aggregate principal amount of not to exceed \$20,000,000 to be designated "Revolving Loan Fund Revenue Bonds, 2011 Taxable Refunding Series B" for the purpose of defeasing ADFA's Wastewater System Revolving Loan Fund Revenue Bonds, 2001 Refunding Series A, dated September 1, 2001.

The 2004 Bonds were issued for the purpose of currently refunding ADFA's Revolving Loan Fund Revenue Bonds, 1993 Refunding Series B.

The 2001 Bonds were issued for the purpose of advance refunding ADFA's Revolving Loan Fund Revenue Bonds, 1992 Series A; ADFA's Revolving Loan Fund Revenue Bonds, 1993 Series A, maturing December 1, 2015; ADFA's Revolving Loan Fund Revenue Bonds, 1995 Series A, maturing on and after June 1, 2008; and ADFA's Revolving Loan Fund Revenue Bonds, 1996 Series A, maturing December 1, 2012 and December 1, 2019.

The 1993 Refunding Series B Bonds were issued for the purpose of refunding ADFA's Revolving Loan Fund Revenue Bonds, 1991 Series A, and a portion of ADFA's Revolving Loan Fund Revenue Bonds, 1992 Series A.

The 1991 Series A Bonds, 1992 Series A Bonds, 1993 Series A Bonds, the 1995 Series A Bonds, and the 1996 Series A Bonds were issued for the purpose of funding loans under the Clean Water Program described in A.C.A. §§ 15-9-901 to -910.

2. The 2011 Refunding Series A Bonds and the 2011 Taxable Refunding Series B Bonds shall be dated the date of issuance, shall bear interest at the rate or rates of interest per annum (calculated on the basis of a year consisting of twelve 30-day months) payable on June 1 and December 1 of each year commencing December 1, 2011, and shall mature on the dates and in the amounts as set forth in a Bond Purchase Agreement between Morgan Keegan & Company, Inc., as Underwriter, ADFA, and the Commission. The Bond Purchase Agreement is hereby approved.

3. There is hereby approved a Continuing Disclosure Agreement relating to the 2011 Refunding Series A Bonds and the 2011 Taxable Refunding Series B Bonds, in substantially the form attached as an Exhibit to the Preliminary Official Statement exhibited at this meeting, with such changes as shall be approved by the person executing the Continuing Disclosure Agreement, his execution to constitute conclusive evidence of such approval.

4. The Executive Director is hereby delegated the authority to enter into agreements on behalf of the Commission with respect to the issuance and sale of the 2011 Refunding Series A Bonds and the 2011 Taxable Refunding Series B Bonds, including without limitation the approvals of the ADFA Series Resolution, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and an engagement letter with Rose Law Firm, a Professional Association, as bond counsel to ADFA and as special counsel to the Commission. Executed copies of the ADFA Series Resolution, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Engagement Letter shall be kept in the permanent records of the Commission.


5. There is hereby authorized the preparation of and distribution to various prospective and actual purchasers of the 2011 Refunding Series A Bonds and the 2011 Taxable Refunding Series B Bonds of the Preliminary

Official Statement describing ADFA, the Commission, the 2011 Refunding Series A Bonds and the 2011 Taxable Refunding Series B Bonds, the Clean Water Program, and the Drinking Water Program described in A.C.A. §§ 15-22-1101 to -1112, and setting forth such other information as may be determined to be necessary or desirable in connection with the marketing of the 2011 Refunding Series A Bonds and the 2011 Taxable Refunding Series B Bonds, in substantially the form exhibited at this meeting. An executed copy of the Official Statement shall be filed in the permanent records of the Commission. The Executive Director is hereby authorized to execute and deliver to the Underwriter a certificate to the effect that the Preliminary Official Statement is deemed final for the purposes of Securities and Exchange Commission Rule 15c2-12.

6. This Resolution shall be effective from and after the date of its adoption.

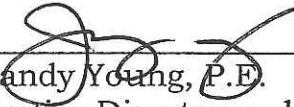
RESOLUTION ADOPTED: April 21, 2011.

**ARKANSAS NATURAL
RESOURCES COMMISSION**



Alec Farmer
Chairman

ATTEST:



J. Randy Young, P.E.
Executive Director and Secretary