

ORDINANCE NO. 0-79-37

AN ORDINANCE CONFIRMING THE AUTHORIZATION TO ISSUE CITY OF CONWAY, ARKANSAS ELECTRIC REVENUE BONDS, 1979 SERIES A; AND CONFIRMING MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Conway, Arkansas (the "City"), by Ordinance No. 0-79-26 of the ordinances of the City, adopted and approved May 22, 1979 ("Ordinance No. 0-79-26"), authorized the issuance by the City of its Electric Revenue Bonds, 1979 Series A (the "Bonds"); the execution and delivery of a Trust Indenture securing the Bonds (the "Indenture"); the sale of the Bonds to Stephens Inc. and T.J. Raney & Sons, Inc., both of Little Rock, Arkansas, and to Merrill Lynch White Weld Capital Markets Group (Merrill Lynch, Pierce, Fenner & Smith Incorporated), New York, New York (the "Underwriters"), pursuant to a Contract of Purchase to be entered into between the City, the Conway Corporation, a non-profit corporation organized and existing under the laws of the State of Arkansas (the "Conway Corporation"), and the Underwriters (the "Bond Purchase Agreement"); the preparation and distribution to various prospective and actual purchasers of the Bonds of an Official Statement (and preliminary Official Statement); the execution and delivery of certain documents pertaining to the acquiring, constructing and equipping of the White Bluff Project and the Independence Project (identified in Ordinance No. 0-79-26); and authorizing other matters pertaining thereto; and

WHEREAS, it has been determined that the Bonds will be issued in the aggregate principal amount of \$36,000,000, will be dated August 1, 1979, and will mature (unless sooner redeemed pursuant to the provisions of the Indenture and as set forth in the Official Statement), and will bear interest as set forth in Schedule I hereto, which by this reference is incorporated

herein; that the Bonds will be sold to the Underwriters for a purchase price of \$35,399,880, plus accrued interest from August 1, 1979 to the date of delivery of the Bonds to the Underwriters; and that the Trustee under the Indenture will be The First National Bank of Chicago, Chicago, Illinois;

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

Section 1. That all matters pertaining to the issuance of the Bonds, including the details set forth above, are hereby confirmed and ratified in all respects.

Section 2. That the Bond Purchase Agreement is hereby approved in the form submitted to this meeting, and the authorization of the Mayor to execute and deliver the Bond Purchase Agreement on behalf of the City is hereby confirmed and ratified.

Section 3. That the Official Statement, authorized to be prepared and distributed by Ordinance No. 0-79-26, is hereby approved in substantially the form submitted to this meeting, and the distribution thereto to prospective and actual purchasers of the Bonds is hereby authorized and approved, and the Mayor is hereby authorized to confer with the Underwriters and the Conway Corporation in order to complete the Official Statement in substantially the form submitted to this meeting. The previous distribution of a preliminary Official Statement dated June 29, 1979, and the contents of such preliminary Official Statement, are hereby approved, ratified and confirmed.

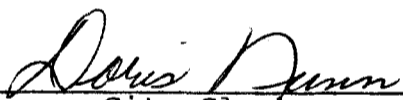
Section 4. That the provisions of this Ordinance are hereby declared to be separable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 5. That Ordinance No. 0-79-26 shall continue in full force and effect, and that all other ordinances, resolutions and parts thereof in conflict herewith or with Ordinance No. 0-79-26 are hereby repealed to the extent of such conflict.

Section 6. That there is hereby found and declared to be an immediate need for the securing of adequate, reliable and economical supplies of electric power and energy in order to provide electricity 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.

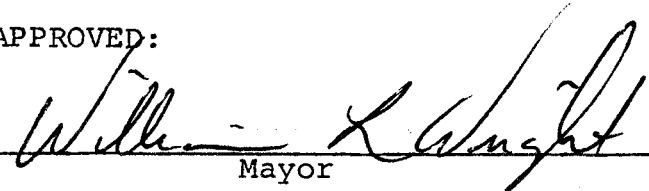
PASSED: July 10, 1979.

ATTEST:



City Clerk

APPROVED:



Mayor

(SEAL)

SCHEDULE I

to Ordinance No. 0-79-37
City of Conway, Arkansas

Serial Bonds

<u>Principal Amount</u>	<u>Year (August 1)</u>	<u>Interest Rate</u>
\$ 640,000	1985	5.60%
675,000	1986	5.70%
710,000	1987	5.75%
755,000	1988	5.80%
800,000	1989	5.90%
845,000	1990	6.00%
895,000	1991	6.10%
950,000	1992	6.20%
1,010,000	1993	6.25%
1,075,000	1994	6.30%
1,140,000	1995	6.35%
1,210,000	1996	6.40%
1,290,000	1997	6.45%
1,375,000	1998	6.45%
1,460,000	1999	6.50%

Term Bonds Maturing August 1, 2004

<u>Principal Amount</u>	<u>Year (August 1)</u>	<u>Interest Rate</u>
Mandatory Sinking Fund Payments		
\$1,555,000	2000	6.70%
1,660,000	2001	6.70%
1,770,000	2002	6.70%
1,885,000	2003	6.70%
Principal Balance		
\$2,010,000	2004	6.70%

Term Bonds Maturing August 1, 2009

<u>Principal Amount</u>	<u>Year (August 1)</u>	<u>Interest Rate</u>
Mandatory Sinking Fund Payments		
\$2,145,000	2005	6.85%
2,290,000	2006	6.85%
2,445,000	2007	6.85%
2,615,000	2008	6.85%
Principal Balance		
\$2,795,000	2009	6.85%