In the opinion of Bond Counsel, based on existing statutes, regulations, rulings and court decisions, the interest on the Series 2019A Bonds is excludable from gross income for federal income tax purposes, subject to the condition that the City comply with all requirements of the Internal Revenue Code that must be satisfied subsequent to the issuance of the Series 2019A Bonds, and the Series 2019A Bonds and interest thereon are exempt from all Arkansas state, county and municipal taxes. In the opinion of Bond Counsel, interest on the Series 2019A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. See LEGAL MATTERS, Tax Exemption herein.

S9,305,000
CITY OF NORTH LITTLE ROCK, ARKANSAS
CAPITAL IMPROVEMENT
REVENUE BONDS, SERIES 2019A

Dated: Date of Delivery Due: November 1, as shown on the inside front cover

The Series 2019A Bonds will not be general obligations of the City of North Little Rock, Arkansas (the "City"), but will be special obligations, secured by a pledge of revenues derived by the City from all franchise fees collected from public utilities for the privilege of using the streets, highways and other public places in the City.

Interest on the Series 2019A Bonds is payable on May 1 and November 1 of each year, commencing May 1, 2020. The Series 2019A Bonds mature (on November 1 of each year), bear interest and are priced to yield as set forth on the inside cover of this Official Statement. The 2019A Bonds are subject to redemption prior to maturity as described herein.

The Series 2019A Bonds of each maturity will be initially issued as a single registered bond registered in the name of Cede & Co., the nominee of The Depository Trust Company ("DTC"), New York, New York. The Series 2019A Bonds will be available for purchase in book-entry form only, in denominations of $5,000 or any integral multiple thereof. Except in limited circumstances described herein, purchasers of the Series 2019A Bonds will not receive physical delivery of Series 2019A Bonds. Payments of principal of and interest on the Series 2019A Bonds will be made by First Security Bank, Searcy, Arkansas, as the Trustee, directly to Cede & Co., as nominee for DTC, as registered owner of the Series 2019A Bonds, to be subsequently disbursed to DTC Participants and thereafter to the Beneficial Owners of the Series 2019A Bonds, all as further described herein.

The Series 2019A Bonds are offered when, as and if issued and received by the Underwriter named below, subject to approval as to legality by Friday, Eldredge & Clark, LLP, Bond Counsel, and subject to satisfaction of certain other conditions.

This cover page contains information for quick reference only. It is not a summary of the issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

Stephens Inc.

Official Statement dated October 1, 2019.
$9,305,000
CITY OF NORTH LITTLE ROCK, ARKANSAS
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2019A

MATURITY SCHEDULE

<table>
<thead>
<tr>
<th>Year (November 1)</th>
<th>Principal Amount</th>
<th>Interest Rate(%)</th>
<th>Yield(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$445,000</td>
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<td>1.480</td>
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<td>2023</td>
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<td>2024</td>
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<td>2026</td>
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<tr>
<td>2027</td>
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<td>1.760*</td>
</tr>
<tr>
<td>2028</td>
<td>645,000</td>
<td>4.0</td>
<td>1.880*</td>
</tr>
<tr>
<td>2029</td>
<td>675,000</td>
<td>4.0</td>
<td>1.920*</td>
</tr>
<tr>
<td>2030</td>
<td>700,000</td>
<td>4.0</td>
<td>2.000*</td>
</tr>
<tr>
<td>2031</td>
<td>730,000</td>
<td>4.0</td>
<td>2.070*</td>
</tr>
<tr>
<td>2032</td>
<td>755,000</td>
<td>4.0</td>
<td>2.150*</td>
</tr>
<tr>
<td>2033</td>
<td>790,000</td>
<td>4.0</td>
<td>2.200*</td>
</tr>
<tr>
<td>2034</td>
<td>820,000</td>
<td>4.0</td>
<td>2.250*</td>
</tr>
</tbody>
</table>

*Yield to the first optional redemption date, May 1, 2027.
No dealer, broker, salesman or any other person has been authorized by the City or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Series 2019A Bonds described herein and, if given or made, such information or representations must not be relied upon as having been authorized by the City. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the business, operations or financial condition of the City since the date hereof. This Official Statement does not constitute an offer or solicitation in any state in which such offer or solicitation is not authorized, or in which the person making such offer or solicitation is not qualified to do so, or is made to any person to whom it is unlawful to make such offer or solicitation.

The Series 2019A Bonds have not been registered under the Securities Act of 1933, as amended, nor has the Indenture described herein been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions in such laws from such registration and qualification.

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OFFICIAL STATEMENT

$9,305,000
CITY OF NORTH LITTLE ROCK, ARKANSAS
CAPITAL IMPROVEMENT
REVENUE BONDS, SERIES 2019A

INTRODUCTION TO THE OFFICIAL STATEMENT

This Introduction is subject in all respects to the more complete information contained in this Official Statement. The offering of the Series 2019A Bonds to potential investors is made only by means of the entire Official Statement, including the cover page and inside cover page hereof. A full review should be made of the entire Official Statement, as well as the Trust Indenture described herein.

This Official Statement is provided to furnish certain information in connection with the issuance by the City of North Little Rock, Arkansas (the "City") of its Capital Improvement Revenue Bonds, Series 2019A, in the aggregate principal amount of $9,305,000 (the "Series 2019A Bonds"). The Series 2019A Bonds are being issued to (i) finance costs of capital improvements for the City (the "Project"); (ii) fund a debt service reserve; and (iii) pay expenses of issuing the Series 2019A Bonds. See THE SERIES 2019A BONDS, Purpose for Series 2019A Bonds herein.

The City is a city of the first class organized under the laws of the State of Arkansas (the "State"). The City is authorized and empowered under the laws of the State, including particularly Title 14, Chapter 164, Subchapter 4 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation"), to issue revenue bonds and to expend the proceeds thereof for the intended purposes. See THE CITY AND THE COUNTY herein.

The Series 2019A Bonds are not general obligations of the City, but are special obligations secured solely by a pledge of the revenues derived by the City from all franchise fees collected from public utilities for the privilege of using the streets, highways and other public places in the City pursuant to the authority contained in Title 14, Chapter 200, Subchapters 101 through 112 and Title 23, Chapter 19, Subchapters 201 through 210 of the Arkansas Code of 1987 Annotated or successor statutes (the "Pledged Revenues"). See THE SERIES 2019A BONDS, Security herein.

The Series 2019A Bonds are being issued pursuant to and in full compliance with the Constitution and laws of the State, and Ordinance No. 9166, adopted September 9, 2019.

The Series 2019A Bonds are equally and ratably secured by a Trust Indenture dated as of November 5, 2019 (the "Indenture"), between the City and First Security Bank, Searcy Arkansas, as trustee (the "Trustee"). The Series 2019A Bonds will be secured by Pledged Revenues. The Indenture permits the issuance of Additional Bonds and Parity Obligations (both terms are defined below under THE SERIES 2019A BONDS, Security herein) secured by a pledge of Pledged Revenues on a parity of security with the Series 2019A Bonds. The Indenture establishes the terms and conditions upon which the Series 2019A Bonds are issued. Specific covenants concerning the maintenance of Pledged Revenues are described under THE SERIES 2019A BONDS, Security herein.


The Series 2019A Bonds are issuable only as fully registered bonds, without coupons, in the denomination of $5,000 or integral multiple thereof. Interest is payable May 1, 2020, and semiannually thereafter on each May 1 and November 1. Payment of principal of the Series 2019A Bonds will be made to the owners of the Series 2019A Bonds at the principal office of the Trustee, and payment of interest on Series 2019A Bonds shall be by check of the Trustee to the registered owner as shown on the Bond registration book of
the City maintained by the Trustee. The record date for payment of interest on the Series 2019A Bonds shall be the fifteenth day of the calendar month next preceding each interest payment date. See THE SERIES 2019A BONDS herein.

The Series 2019A Bonds are subject to extraordinary redemption from proceeds of the Series 2019A Bonds not needed for the purposes intended. The Series 2019A Bonds are subject to optional redemption on and after May 1, 2027. The Trustee shall give at least thirty (30) days notice of redemption. See THE SERIES 2019A BONDS, Redemption herein.

Under existing law and assuming compliance with certain covenants described herein, (i) interest on the Series 2019A Bonds is excludable from gross income for federal income tax purposes, (ii) interest on the Series 2019A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax, and (iii) the Series 2019A Bonds and interest thereon are exempt from all State, county and municipal taxes. See LEGAL MATTERS, Tax Exemption herein.

It is expected that the Series 2019A Bonds will be available for delivery on or about November 5, 2019, through the facilities of the Depository Trust Company, in New York, New York.

The City and the Trustee have entered into a Continuing Disclosure Agreement in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Continuing Disclosure Agreement"). See CONTINUING DISCLOSURE AGREEMENT herein.

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of the Indenture and the Continuing Disclosure Agreement summarized herein are available upon request from Stephens Inc., 111 Center Street, Suite 2300, Little Rock, Arkansas 72201, Attention: Public Finance.

THE SERIES 2019A BONDS

Book-Entry Only System. The Depository Trust Company ("DTC"), New York, New York, or its successor, will act as securities depository for the Series 2019A Bonds. The Series 2019A Bonds will each be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2019A Bond certificate for each maturity will be issued in the principal amount of the maturity will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2019A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019A Bonds on DTC’s records. The ownership interest of each
actual purchaser of each Series 2019A Bond (referred to herein as "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2019A Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in Series 2019A Bonds, except in the event that use of the book-entry system for the Series 2019A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2019A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019A Bonds are credited, which may or may not be the Beneficial Owners. Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices will be sent only to Cede & Co. If fewer than all of the Series 2019A Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2019A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and premium, if any, payments on the Series 2019A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the City or Trustee, on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2019A Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2019A Bonds are required to be printed and delivered. The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2019A Bonds will be printed and delivered.
The information concerning DTC and DTC's book-entry system set forth above has been obtained from DTC. Neither the Underwriter nor the City make any representation or warranty regarding the accuracy or completeness thereof.

So long as the Series 2019A Bonds are in book-entry only form, Cede & Co., as nominee for DTC, will be treated as the sole owner of the Series 2019A Bonds for all purposes under the Indenture, including receipt of all principal of and interest on the Series 2019A Bonds, receipt of notices, voting and requesting or directing the Trustee to take or not to take, or consenting to, certain actions under the Indenture. The City and the Trustee have no responsibility or obligation to the Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Participant; (b) the payment by any Participant of any amount due to any Beneficial Owner in respect of the principal of and interest on the Series 2019A Bonds; (c) the delivery or timeliness of delivery by any Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Indenture to be given to owners of Series 2019A Bonds; or (d) other action taken by DTC or Cede & Co. as owner of the Series 2019A Bonds.

Generally. The Series 2019A Bonds shall be dated, mature and bear interest and interest is payable on the Series 2019A Bonds as set forth on the inside cover page hereof. The Series 2019A Bonds are issuable in the form of registered Bonds without coupons in the denomination of $5,000 each or any integral multiple thereof, interchangeable in accordance with the provisions of the Indenture. In the event any Series 2019A Bond is mutilated, lost or destroyed, the City shall, if not then prohibited by law, execute and the Trustee may authenticate a new Series 2019A Bond in accordance with the provisions therefor in the Indenture.

Each Series 2019A Bond is transferable by the registered owner thereof or by his attorney duly authorized in writing at the principal office of the Trustee. Upon such transfer a new fully registered Series 2019A Bond or Series 2019A Bonds of the same maturity, of authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange therefor.

No charge shall be made to any owner of any Series 2019A Bond for the privilege of registration, but any owner of any Series 2019A Bond requesting any such registration shall pay any tax or other governmental charge required to be paid with respect thereto. Except as otherwise provided in the immediately preceding sentence, the cost of preparing each new Series 2019A Bond upon each exchange or transfer and any other expenses of the City or the Trustee incurred in connection therewith shall be paid by the City. Neither the City nor the Trustee shall be required to transfer or exchange any Series 2019A Bonds selected for redemption in whole or in part.

The person in whose name any Series 2019A 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 Series 2019A 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 Series 2019A 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 Series 2019A Bonds or the date fixed for redemption of any Series 2019A 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 not a Saturday or Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close 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.

Redemption. The Series 2019A Bonds shall be subject to extraordinary and optional redemption prior to maturity as follows:
Extraordinary Redemption. The Series 2019A Bonds must be redeemed from proceeds of the Series 2019A Bonds not needed for the purposes intended, in whole or in part on any interest payment date, at a price equal to the principal amount being redeemed plus accrued interest to the redemption date, in inverse order of maturity (and by lot within a maturity in such manner as the Trustee may determine).

Optional Redemption. The Series 2019A Bonds are subject to redemption on and after May 1, 2027, at the option of the City, from funds from any source, in whole or in part at any time, at a redemption price equal to the principal amount being redeemed plus accrued interest to the redemption date. If fewer than all of the Series 2019A Bonds shall be called for redemption, the particular maturities to be redeemed shall be selected by the City in its discretion. If fewer than all of the Series 2019A Bonds of any one maturity shall be called for redemption, the particular Series 2019A Bonds or portion thereof to be redeemed from such maturity shall be selected by lot by the Trustee.

The Trustee shall give notice of the call for redemption by first class mail placed in the mails, postage prepaid, or other acceptable standard means of delivery, including facsimile or electronic communications, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption, to the registered owner or any Series 2019A Bond called for redemption, addressed to such registered owner’s registered address. After the date specified in such call, the Series 2019A Bonds or portions thereof (which must be integral multiples of $5,000) so called will cease to bear interest provided funds for their payment have been deposited with the Trustee.

Notwithstanding the above, so long as the Series 2019A Bonds are issued in book-entry only form, if fewer than all the Series 2019A Bonds of an issue are called for redemption, the particular Series 2019A Bonds to be redeemed will be selected pursuant to the procedures established by DTC. So long as the Series 2019A Bonds are issued in book-entry only form, notice of redemption will be given only to Cede & Co., as nominee for DTC. The Trustee will not give any notice of redemption to the Beneficial Owners of the Series 2019A Bonds.

Purpose for Series 2019A Bonds. The Series 2019A Bonds are being issued (i) to finance costs of the Project, (ii) to fund a debt service reserve, and (iii) to pay expenses of issuing the Series 2019A Bonds.

The Project includes capital improvements for the City including particularly, without limitation, a new police and courts facility.

The sources and uses of funds to accomplish the Project are estimated by the City as follows:

**SOURCES:**
- Principal Amount of Series 2019A Bonds $9,305,000
- Funds of the City 20,000,000
- Original Issue Premium 1,293,976

**TOTAL SOURCES** $30,598,976

**USES:**
- Costs of Project $30,000,000
- Debt Service Reserve 427,249
- Underwriter's Discount 97,703
- Costs of Issuance 74,024

**TOTAL USES** $30,598,976

The payment of underwriter's discount and the costs of issuing the Series 2019A Bonds relating to the payment of professional fees will be contingent on the Series 2019A Bonds being issued. See **MISCELLANEOUS, Underwriting** herein for a description of the underwriter's discount. The City will
deposit the net proceeds of the Series 2019A Bonds (principal amount plus any original issue premium, less any original issue discount and less underwriter's discount, debt service reserve deposit, and certain issuance costs) into the Series 2019 Project Account in the Project Fund established with the Trustee. See SUMMARY OF THE INDENTURE herein.

Moneys contained in Series 2019 Project Account in the Project Fund will be disbursed in payment of costs of the Project, paying necessary expenses incidental thereto and paying expenses of issuing the Series 2019A 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. For a description of how the Series 2019A Bond proceeds are to be invested pending use and the provisions governing those investments, see SUMMARY OF THE INDENTURE herein.

Security. The Series 2019A Bonds are not general obligations of the City but are special obligations, secured by a pledge of all "Pledged Revenues," which are defined to be all revenues derived by the City from all franchise fees collected from public utilities for the privilege of using the streets, highways and other public places in the City, pursuant to the authority contained in Title 14, Chapter 200, Subchapters 101 through 112 and Title 23, Chapter 19, Subchapters 201 through 210 of the Arkansas Code of 1987 Annotated.

The Series 2019A Bonds will be secured by and entitled to the protection of the Indenture. (See SUMMARY OF THE INDENTURE herein.)

The City agrees to continuously charge franchise fees to all public utilities occupying the streets, highways and other public places under Arkansas Code Annotated §§14-200-101-112 and §23-19-201-210, or successor statutes, while the Series 2019A Bonds are outstanding.

The franchise fees currently collected from the public utilities are sufficient to pay the principal of and interest on the Series 2019A 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 Series 2019A Bonds when due.

The franchise fees currently charged to public utilities shall never be reduced while the Series 2019A 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 outstanding Bonds, Parity Obligations (as defined herein) and Subordinate Obligations (as defined herein).

The City has reserved the right to pledge Pledged Revenues to additional bonds issued under the Indenture on a parity with the pledge in favor of the Series 2019A Bonds ("Additional Bonds") upon meeting certain conditions relating to the amount of Pledged Revenues available to pay the Series 2019A Bond and the Additional Bonds. The City may issue bonds or other obligations other than under the Indenture and secured by a pledge of Pledged Revenues. Such obligations may be issued on a parity with bonds issued under the Indenture, including the Series 2019A Bonds, subject to meeting the requirements necessary to issue Additional Bonds ("Parity Obligations"). Otherwise any other obligations secured by a pledge of Pledged Revenues shall be subordinate obligations subject and subordinate to all bonds then outstanding or thereafter issued under the Indenture and to outstanding Parity Obligations ("Subordinate Obligations"). (See SUMMARY OF THE INDENTURE, Additional Bonds herein.)

Debt Service Reserve. A debt service reserve account has been established for the Series 2019A Bonds and will be funded with proceeds of the Series 2019A Bonds in an amount equal to one-half of the maximum annual principal and interest requirement on the Series 2019A Bonds. The debt service reserve account will only secure the Series 2019A Bonds.
THE CITY AND THE COUNTY

General. The City is located immediately north of Little Rock, Arkansas, which is the State Capitol. It is served by two major interstates (I-40 and I-30). In addition, Union Pacific Railroad has its largest locomotive repair shop and a major classification yard in the City. The City is also served by Bill and Hillary Clinton National Airport and its own municipal airport, which accommodates both general aviation and corporate aircraft. The City is home to Verizon Arena, Dickey-Stephens Park (home of the Travelers, a AA-affiliate of the Seattle Mariners), and the 1,700-acre Burns Park, one of the largest municipal parks in the United States.

Government. The City operates under the Mayor-Council form of government, pursuant to which a Mayor and eight aldermen are elected to serve four-year terms. The present elected Mayor and aldermen of the City are identified below.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Term Expires</th>
<th>Occupation</th>
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<tr>
<td>Joe Smith</td>
<td>Mayor</td>
<td>12-31-2020</td>
<td>Mayor</td>
</tr>
<tr>
<td>Debi Ross</td>
<td>Alderman, Ward 1</td>
<td>12-31-2022</td>
<td>Retired</td>
</tr>
<tr>
<td>Beth White</td>
<td>Alderman, Ward 1</td>
<td>12-31-2020</td>
<td>Retired</td>
</tr>
<tr>
<td>Linda Robinson</td>
<td>Alderman, Ward 2</td>
<td>12-31-2022</td>
<td>Retired</td>
</tr>
<tr>
<td>Maurice Taylor</td>
<td>Alderman, Ward 2</td>
<td>12-31-2020</td>
<td>Realtor</td>
</tr>
<tr>
<td>Steve Baxter</td>
<td>Alderman, Ward 3</td>
<td>12-31-2022</td>
<td>Military</td>
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<tr>
<td>Ron Harris</td>
<td>Alderman, Ward 3</td>
<td>12-31-2020</td>
<td>Developer</td>
</tr>
<tr>
<td>Jane Ginn</td>
<td>Alderman, Ward 4</td>
<td>12-31-2022</td>
<td>Retired</td>
</tr>
<tr>
<td>Charlie Hight</td>
<td>Alderman, Ward 4</td>
<td>12-31-2020</td>
<td>Retired</td>
</tr>
</tbody>
</table>

The City provides a broad range of municipal services including: police, fire, parks and recreation, streets, sanitation, electric, emergency, animal control and neighborhood. Boards and commissions have primary responsibility for the operation of the City's Airport and Wastewater Utility and public housing. The water utilities of the City have been conveyed for operation by a joint board known as Central Arkansas Water consisting of the former Little Rock and North Little Rock Water Utilities.

Employees. The City operates a full service Human Resources Department under the leadership of Betty Anderson, Human Resources Director. City workers are represented by a number of trade unions. The primary ones are the Fraternal Order of Police, representing police officers; and the International Association of Fire Fighters, representing fire department employees.

In 2018, the City had 839 full time employees and 151 part time employees;

Population. The following chart sets out population data for the City and the County (source: U.S. Bureau of Census):

<table>
<thead>
<tr>
<th>Year</th>
<th>North Little Rock</th>
<th>Pulaski County</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018*</td>
<td>66,127</td>
<td>392,680</td>
</tr>
<tr>
<td>2010</td>
<td>62,304</td>
<td>382,748</td>
</tr>
<tr>
<td>2000</td>
<td>60,433</td>
<td>361,474</td>
</tr>
<tr>
<td>1990</td>
<td>61,741</td>
<td>349,660</td>
</tr>
</tbody>
</table>

*As of July 1, 2018.
Public Schools. Enrollment in the North Little Rock School District, whose boundaries are generally co-extensive with the City limits, has been as follows:

<table>
<thead>
<tr>
<th>School Year</th>
<th>Enrollment⁽¹⁾</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-2018</td>
<td>8,427</td>
</tr>
<tr>
<td>2016-2017</td>
<td>8,405</td>
</tr>
<tr>
<td>2015-2016</td>
<td>8,413</td>
</tr>
<tr>
<td>2014-2015</td>
<td>8,576</td>
</tr>
<tr>
<td>2013-2014</td>
<td>8,553</td>
</tr>
</tbody>
</table>

⁽¹⁾Total enrollment

Source: Arkansas Department of Education

Higher Education. Little Rock offers educational institutions with instruction in undergraduate, graduate and professional fields. The following is a list of colleges and universities located within the Little Rock MSA (or with relatively short commutes);

- University of Arkansas - Little Rock
- University of Central Arkansas (Conway)
- University of Arkansas - Pulaski Technical College
- University of Arkansas Medical Sciences Campus
- Hendrix College (Conway)
- Arkansas Baptist College
- Central Baptist College (Conway)
- Philander Smith College
- University of Arkansas Bowen School of Law

Building Permits. The following table shows new construction in the City, as reflected by building permits issued, at year end:

<table>
<thead>
<tr>
<th>Year</th>
<th>Commercial Construction</th>
<th>Residential Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Permits</td>
<td>Value</td>
</tr>
<tr>
<td>2018</td>
<td>28</td>
<td>$81,161,223</td>
</tr>
<tr>
<td>2017</td>
<td>23</td>
<td>19,862,409</td>
</tr>
<tr>
<td>2016</td>
<td>26</td>
<td>32,959,873</td>
</tr>
<tr>
<td>2015</td>
<td>25</td>
<td>86,430,811</td>
</tr>
<tr>
<td>2014</td>
<td>32</td>
<td>102,648,167</td>
</tr>
</tbody>
</table>

Sources: City of North Little Rock Planning Department.
Principal Employers. The City's economy is comprised of a diverse mix of financial, commercial, industrial, government, health and educational sectors. This diversity helps maintain a relatively stable employment environment in the City. The top 15 employers within the boundaries of the City and Pulaski County (except as noted for the MSA) are as follows:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Employer</th>
<th>Product/Service</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Federal/State/Local Government (MSA)</td>
<td>Government</td>
<td>71,900</td>
</tr>
<tr>
<td>2</td>
<td>University of Arkansas for Medical Sciences</td>
<td>Education/Medical Services</td>
<td>9,700</td>
</tr>
<tr>
<td>3</td>
<td>Baptist Health</td>
<td>Medical Services</td>
<td>7,340</td>
</tr>
<tr>
<td>4</td>
<td>Little Rock Air Force Base</td>
<td>Military</td>
<td>4,500</td>
</tr>
<tr>
<td>5</td>
<td>Arkansas Children’s Hospital</td>
<td>Medical Services</td>
<td>4,370</td>
</tr>
<tr>
<td>6</td>
<td>Central Arkansas Veterans HealthCare System</td>
<td>Medical Services</td>
<td>4,000</td>
</tr>
<tr>
<td>7</td>
<td>Little Rock School District</td>
<td>Education</td>
<td>3,970</td>
</tr>
<tr>
<td>8</td>
<td>CHI St. Vincent</td>
<td>Medical Services</td>
<td>3,000</td>
</tr>
<tr>
<td>9</td>
<td>Pulaski County Special School District</td>
<td>Education</td>
<td>2,700</td>
</tr>
<tr>
<td>10</td>
<td>AT&amp;T</td>
<td>Utility (Telephone)</td>
<td>2,615</td>
</tr>
<tr>
<td>11</td>
<td>Arkansas Blue Cross Blue Shield</td>
<td>Insurance</td>
<td>2,610</td>
</tr>
<tr>
<td>12</td>
<td>Entergy Arkansas</td>
<td>Utility (Electric)</td>
<td>2,580</td>
</tr>
<tr>
<td>13</td>
<td>Verizon Wireless</td>
<td>Communications/Telecommunications</td>
<td>2,500</td>
</tr>
<tr>
<td>14</td>
<td>Dillard’s Inc.</td>
<td>Department Store (Headquarters)</td>
<td>2,000</td>
</tr>
<tr>
<td>15</td>
<td>Union Pacific Railroad</td>
<td>Transportation</td>
<td>2,000</td>
</tr>
</tbody>
</table>

*Source: Little Rock Regional Chamber of Commerce.*

Employment. The Arkansas Department of Workforce Services has provided the following data about the labor force and rate of unemployment for the Little Rock MSA:

<table>
<thead>
<tr>
<th>Date</th>
<th>Labor Force</th>
<th>Employed</th>
<th>Unemployed</th>
<th>Unemployment Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019*</td>
<td>356,049</td>
<td>346,699</td>
<td>9,350</td>
<td>2.6</td>
</tr>
<tr>
<td>2018</td>
<td>354,823</td>
<td>342,894</td>
<td>11,929</td>
<td>3.4</td>
</tr>
<tr>
<td>2017</td>
<td>353,975</td>
<td>342,207</td>
<td>11,768</td>
<td>3.3</td>
</tr>
<tr>
<td>2016</td>
<td>350,470</td>
<td>338,038</td>
<td>12,432</td>
<td>3.5</td>
</tr>
<tr>
<td>2015</td>
<td>347,507</td>
<td>331,854</td>
<td>15,653</td>
<td>4.5</td>
</tr>
<tr>
<td>2014</td>
<td>339,859</td>
<td>321,347</td>
<td>18,512</td>
<td>5.4</td>
</tr>
</tbody>
</table>

*As of May 2019.

Medical Facilities. Baptist Medical Center, the area’s largest hospital, has an 827-bed capacity. Baptist Medical Center, North campus, in the City, has a 225-bed capacity. CHI St. Vincent Medical Center in Little Rock is a 615-bed general hospital. CHI St. Vincent Medical Center, in Sherwood, is a 69-bed general care hospital. The Arkansas Children’s Hospital in Little Rock is a 336-bed facility that administers acute pediatric care to children up to age 21. The Central Arkansas Veterans Healthcare System includes two hospitals: Eugene J. Towbin Healthcare Center in the City, which has a 356-bed capacity; and John L. McClellan Memorial Veterans Hospital, located in Little Rock on the campus of the University of Arkansas for Medical Sciences Medical Center, which has a 195-bed capacity. The Arkansas Heart Hospital in Little Rock is a 110-bed facility specializing in cardiac care. UAMS Medical Center in Little Rock has a 450-bed capacity, and the Arkansas State Hospital in Little Rock is a 321-bed psychiatric facility.

*Sources: Arkansas Department of Health and U. S. Department of Veterans Affairs.*
Assessed Valuation. The Arkansas Assessment Coordination Department has provided the following information about the assessed value of taxable real and personal property in the City for the previous five years.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Property</td>
<td>$758,072,634</td>
<td>$782,619,329</td>
<td>$796,981,751</td>
<td>$809,452,684</td>
<td>$848,276,771</td>
</tr>
<tr>
<td>Personal Property</td>
<td>260,153,890</td>
<td>260,113,165</td>
<td>281,340,255</td>
<td>280,314,865</td>
<td>276,943,525</td>
</tr>
<tr>
<td>Utility Property</td>
<td>59,233,420</td>
<td>62,071,555</td>
<td>62,671,740</td>
<td>61,783,970</td>
<td>64,882,015</td>
</tr>
<tr>
<td>Total</td>
<td>$1,077,459,944</td>
<td>$1,104,804,049</td>
<td>$1,140,993,746</td>
<td>$1,150,722,019</td>
<td>$1,190,102,311</td>
</tr>
</tbody>
</table>

County Economic Data. Per capita personal income estimates for the County are as follows: (1)

<table>
<thead>
<tr>
<th>Year</th>
<th>Per Capita Personal Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$48,838</td>
</tr>
<tr>
<td>2016</td>
<td>47,532</td>
</tr>
<tr>
<td>2015</td>
<td>46,997</td>
</tr>
<tr>
<td>2014</td>
<td>45,460</td>
</tr>
<tr>
<td>2013</td>
<td>43,527</td>
</tr>
</tbody>
</table>

Total personal income estimates for the County are as follows:(1)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Personal Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$19,240,052,000</td>
</tr>
<tr>
<td>2016</td>
<td>18,712,183,000</td>
</tr>
<tr>
<td>2015</td>
<td>18,474,928,000</td>
</tr>
<tr>
<td>2014</td>
<td>17,840,054,000</td>
</tr>
<tr>
<td>2013</td>
<td>17,021,959,000</td>
</tr>
</tbody>
</table>

(1) Source: Bureau of Economic Analysis, United States Department of Commerce.

Litigation. The City is a party to multiple matters of litigation and regulatory proceedings arising from the City’s various governmental activities. There are no lawsuits or regulatory proceedings pending or, to the knowledge of the City, threatened against the City, in which claims of damage are made which, individually or in the aggregate, create a financial exposure which would substantially impair the financial solvency of the City.

Pension Plans. Substantially all of the City's employees receive retirement benefits. The City sponsors one (1) single employer defined benefit plan. The City contributes to two (2) cost-sharing multiple employer defined benefit pension plans. The assets of the plans are maintained in legally separate trusts and each plan's assets may be used only for the payment of benefits to the members of that plan or their beneficiaries in accordance with the terms of the plan.

Information regarding the pension plans as of December 31, 2017 is found in Note 6 to the general purpose financial statements of the City for the fiscal year ended December 31, 2017 such audited financial statements can be viewed in their entirety, including the accountants' report, notes to the financial statements and required supplementary information on the City's website at www.nlr.ar.gov.
CONCERNING THE TRUSTEE

First Security Bank, Searcy, Arkansas, (the "Trustee") will be the Trustee under the Indenture. The Trustee may resign at any time by notice in writing to be given to the City and the holders of the Series 2019A Bonds, not less than thirty (30) days before such resignation is to take effect. The Trustee may be removed at any time (i) by the City; provided, however, that the City may not remove the Trustee so long as an Event of Default (as defined under SUMMARY OF THE INDENTURE herein) shall have occurred which has not been cured, or any event shall have occurred which with the passage of time would lead to an Event of Default or (ii) by an instrument or concurrent instruments in writing, signed by the Beneficial Owners of not less than a majority in principal amount of the Series 2019A Bonds and any Additional Bonds issued under the Indenture and then outstanding. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of the Indenture with respect to the duties and obligations of the Trustee, by the City or by any court of competent jurisdiction upon the application of the City or the Beneficial Owners of not less than twenty percent (20%) in principal amount of the Series 2019A Bonds and any Additional Bonds issued under the Indenture and then outstanding. Notwithstanding any other provision of the Indenture, no removal, resignation or termination of the Trustee shall take effect until a successor is appointed and has accepted the appointment and the trusts of the Indenture.

Each successor Trustee must be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authorities, having combined capital stock, capital surplus and undivided profits of at least $50,000,000. The foregoing requirement may be met by a parent corporation of the successor Trustee, provided that such parent corporation has guaranteed the obligations of the successor Trustee and further provided that such parent corporation has combined capital stock, capital surplus and undivided profits of at least $50,000,000.

The Trustee is also the Bond Registrar, Dissemination Agent and Paying Agent for the Series 2019A Bonds. The Trustee is deemed to have notice only of Events of Default described in the first paragraph under SUMMARY OF THE INDENTURE Events of Default herein and of other Events of Default of which it has received written notice from the Beneficial Owners of not less than 10% in outstanding principal amount of the Series 2019A Bonds and any Additional Bonds issued under the Indenture. During the continuance of an Event of Default of which the Trustee is deemed to have notice, the Trustee is required to use the degree of care and skill in the exercise of its duties as would be exercised by a prudent man in the conduct of his own affairs.

The Trustee shall not be required to take any action in discharging its trust until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees, and other reasonable disbursements, and against all liability.

The Trustee is entitled to reasonable compensation from the City. The Trustee’s compensation will be paid from Pledged Revenues. If an Event of Default has occurred and is continuing, the Trustee’s right to compensation from Pledged Revenues shall be entitled to a preference therefor over the claim of owners for payment of principal of and interest on Series 2019A Bonds from such Pledged Revenues.
SUMMARY OF THE INDENTURE

The following is a summary of certain provisions of the Indenture.

Significant Definitions. The following terms, when used in the Indenture, have the meanings set forth below:

"Beneficial Owner" shall mean (i) so long as the Bonds are held pursuant to a Book-Entry System, the owners of the beneficial interest in a Bond or Bonds as shown on the records of a Participant, and (ii) if the Bonds are no longer held pursuant to a Book-Entry System, an Owner.

"Bonds" refers to and includes the Series 2019A Bonds together with Additional Bonds issued under the Indenture.

"Holder," "Owner," "holder," "bondholder" and "registered owner" shall mean the registered owner of any Bond.

"Outstanding" or "outstanding" shall mean all Bonds which have been issued hereunder other than (a) Bonds which have been defeased under Article X of the Trust Indenture, or (b) Bonds in replacement of which Bonds have been issued under Section 206 of the Trust Indenture.

"Series 2019A Bonds" shall mean the City's Capital Improvement Revenue Bonds, Series 2019A.

Application of Series 2019A Bond Proceeds. Proceeds of the Series 2019A Bonds will be applied as follows:

Costs of Issuance. The sum necessary to pay the costs of issuing the Series 2019A Bonds shall be disbursed to the appropriate parties.

Debt Service Reserve. An amount equal to one-half of the maximum annual debt service requirement on the Series 2019A Bonds (the "Series 2019 Reserve Requirement") shall be deposited to the credit of account in the 2019 Debt Service Reserve Account in the Bond Fund (defined below) established under the Indenture.

Project. The balance of the proceeds shall be deposited to the credit of the Series 2019 Project Account of the Project Fund and shall be expended for the accomplishment of the Project.

Use of Pledged Revenues and Flow of Funds.

Pledged Revenues; Franchise Fee Fund. There is created in the Indenture a Franchise Fee Fund that shall be maintained by the City. Upon receipt by the City, the Pledged Revenues shall not be deposited into the general fund but shall be deposited into 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 FDIC.

Once there is on deposit in the Bond Fund the total amount to be deposited therein for the current fiscal year, moneys in the Franchise Fee Fund for that year may be immediately transferred after deposit, to the City’s general fund and expended for any lawful purpose. In the alternative, subject to making the required deposits as hereinafter set forth and paying any amounts with respect to any outstanding Parity Obligations and Subordinate Obligations, any surplus in the Franchise Fee Fund may be withdrawn 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.
**Bond Fund.** There shall be transferred from the Franchise Fee Fund into a special fund of the City created by the Indenture in the Trustee and known as the "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, as due.

There shall be paid to the Trustee for deposit into the Bond Fund, on or before the last business day of each month, commencing in December, 2019, 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 on all Bonds then outstanding due at maturity or upon mandatory sinking fund redemption, with trustee’s fees and expenses, as the same next become due, and any arbitrage rebate due at the times and in the amounts required by Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"). Notwithstanding the above, monthly deposits into the Bond Fund through April 2020 shall be in an amount equal to one-fifth (1/5) of the interest payment due on May 1, 2020 plus one-eleventh (1/11) of the principal payment due November 1, 2020.

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 and Debt Service Reserve transfers.

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.

It shall be the duty of the Trustee to cause to be withdrawn from the Bond Fund on the due date of any principal and/or interest on any Bond, at maturity or redemption prior to maturity, the amount of such Bond and interest due thereon for the sole purpose of paying the same, together with the Trustee’s fee and expenses. There shall also be withdrawn and paid to the United States Treasury any arbitrage rebate due at the times and in the amounts required by Section 148(f) of the Code. No withdrawal of funds from the Bond Fund shall be made for any other purpose except as otherwise authorized in the Indenture.

The Indenture establishes as part of the Bond Fund a Debt Service Reserve therein. The Debt Service Reserve shall be composed of accounts, each of which shall be identified by the Trustee and shall be dedicated to the security of no more than one issue of Bonds. The required level of the Debt Service Reserve account shall be established and fixed for each issue of Bonds; however, a Debt Service Reserve account is not required to be established for each issue of Bonds. The 2019 Debt Service Reserve account for the Series 2019A Bonds (the "2019 Debt Service Reserve Account") shall be funded with the proceeds of the Series 2019A Bonds in an amount equal to the Series 2019 Reserve Requirement.

Should the 2019 Debt Service Reserve Account become impaired or be reduced below the Series 2019 Reserve Requirement, the City shall make additional monthly payments from the Franchise Fee Fund until the impairment or reduction is corrected over a twelve month period. All earnings in the 2019 Debt Service Reserve Account that increase the amount thereof above the Series 2019 Reserve Requirement shall be transferred to the debt service portion of the Bond Fund.

If for any reason there shall be a deficiency in the payments made into the Bond Fund so that there are unavailable sufficient moneys therein to pay the principal of and interest on the Series 2019A Bonds as the same become due, any sums then held in the 2019 Debt Service Reserve Account shall be used to the extent necessary to pay such principal and interest. The 2019 Debt Service Reserve Account shall be used solely as herein described, but the moneys therein may be invested as hereinafter set forth.

**Project Fund.** The City has established with the Trustee a Project Fund which shall be used for the purpose of financing the Project.

**Parity Obligations.** The City may issue Parity Obligations in the future. If there are insufficient moneys in the Franchise Fee Fund to make the monthly payments into the Bond Fund and the 2019 Debt Service Reserve and to make monthly installments with respect to outstanding Parity Obligations (and debt
service reserves therefor), the City shall make payments from the Franchise Fee Fund with respect to the Bonds and outstanding Parity Obligations pro rata based upon the outstanding principal amount of the Bonds and Parity Obligations.

**Investments.** Moneys held for the credit of the Bond Fund shall be continuously invested and reinvested pursuant to the direction of the City in Eligible Investments, 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 (A) five (5) years after the date of investment or (B) the final maturity date of the Bonds secured thereby, whichever is earlier, in the case of moneys in a Debt Service Reserve Account and (ii) not later than the payment date for interest or principal and interest in the case of other Bond Fund moneys.

Moneys held for the credit of any other fund shall be continuously invested and reinvested pursuant to the direction of the City in Eligible Investments 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 held for the credit of the particular fund will be required for the purposes intended.

"Eligible Investments" means any of the following:

1. Direct obligations of the United States Government;
2. Obligations of agencies and instrumentalities created by act of Congress and authorized thereby to issue securities or evidences of indebtedness, regardless of guarantee of repayment by the United States Government;
3. Obligations the principal and interest of which are fully guaranteed by the United States Government or an agency or an instrumentality created by an act of Congress and authorized thereby to issue such a guarantee;
4. Obligations the principal and interest of which are fully secured, insured, or covered by commitments or agreements to purchase by the United States Government or an agency or instrumentality created by an act of Congress and authorized thereby to issue such commitments or agreements;
5. Demand, savings, or time deposits or accounts of any depository institution chartered by the United States, any state of the United States, or the District of Columbia, provided funds invested in such demand, savings, or time deposits or accounts are fully insured by a federal deposit insurance agency or are collateralized with obligations described in one (1) through three (3) above to the extent not fully insured; and
6. Securities of, or other interest in, any open-end type investment company or investment trust registered under the Investment Company Act of 1940, and which is defined as a "money market fund" under 17 C.F.R. § 270.2a-7, provided that the portfolio of the investment company or investment trust is limited principally to United States Government obligations and to repurchase agreements fully collateralized by United States Government obligations, and provided further that the investment company or investment trust shall take delivery of the collateral either directly or through an authorized custodian.

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.

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.
Investments of moneys in all funds shall be valued in terms of current market value as of the last day of each year, except that direct obligations of the United States (State and Local Government Series) in book-entry form shall be continuously valued at par or face principal amount.

The City covenants that it will make all arbitrage rebate payments with respect to the Series 2019A Bonds to the United States in accordance with Section 148 of the Code.

Additional Bonds. 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 under the Indenture to finance or pay the cost of any capital improvements or to refund obligations issued for such purpose, ranking on a parity with the Bonds then outstanding provided there has been procured and filed with the City Clerk and the Trustee a statement by the City Finance Director or by an Accountant 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 130% of the maximum annual principal and interest requirements on all Bonds, Parity Obligations and Subordinate Obligations then outstanding and the Additional Bonds then proposed to be issued. Additional Bonds shall rank on a parity of security with the Bonds with respect to Pledged Revenues except as otherwise provided herein.

Nothing in the Indenture shall prohibit the City from issuing bonds or other obligations of indebtedness other than under this Indenture and secured by a pledge of Pledged Revenues. Such obligations may, subject to meeting the test for issuing Additional Bonds set forth in the preceding paragraph, be issued on a parity with Bonds issued under the Indenture, except that the Bond Fund and the Debt Service Reserve Fund shall only secure payment of Bonds issued under the Indenture to the extent provided in the Indenture. Such obligations issued on a parity with the Bonds are referred to herein as "Parity Obligations." All other obligations of the City secured by a pledge of Pledged Revenues shall be subject and subordinate to the Indenture, and to all Bonds and Parity Obligations then outstanding and are referred to herein as "Subordinate Obligations."

Events of Default and Remedies. The Indenture defines "Event of Default" as 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 the Indenture, whereupon the Trustee may, and upon the written request of the registered owners of not less than 10% in principal amount of the Bonds then outstanding, shall, by proper suit, compel the performance of the duties of the officials of the City, under the Indenture, to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

No registered owner of any of the Bonds then outstanding 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 not less than 10% in principal amount of the Bonds then outstanding 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 one or more registered owners of the Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right thereunder except 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 then outstanding.

All rights of action under the Indenture or under any of the Bonds secured thereby, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds, and any such suit, action or
proceeding instituted by the Trustee shall be brought in its name and for the benefit of all the owners of the Bonds, subject to the provisions of the Indenture.

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

No remedy conferred upon or reserved to the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder.

No delay or omission of the Trustee or of any owners 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 an acquiescence therein, and every power and remedy given by the Indenture to the Trustee and to the 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 Beneficial Owners of not less than 50% in principal amount of the Bonds then outstanding shall, waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of the Indenture or before the completion of the enforcement of any other remedy under the Indenture, 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.

CONTINUING DISCLOSURE AGREEMENT

The City has not failed, in the previous five years, to materially comply with any prior continuing disclosure undertaking.

Set forth below is a summary of certain portions of the Continuing Disclosure Agreement. This summary does not purport to be comprehensive and reference is made to the full text of the Continuing Disclosure Agreement for a complete description of the provisions.

Purpose of the Continuing Disclosure Agreement. The Continuing Disclosure Agreement is executed and delivered by the City and the Trustee for the benefit of the Beneficial Owners of the Series 2019A Bonds and in order to assist the Underwriter in complying with the Securities and Exchange Commission, Rule 15c2-12(b)(5).

Definitions. In addition to the definitions set forth in this Official Statement, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean an Annual Report provided by the City pursuant to, and as described in, the Continuing Disclosure Agreement.

"Beneficial Owner" of a Series 2019A Bond shall mean any person who has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Series 2019A Bonds (including persons holding Series 2019A Bonds through nominees, depositories or other intermediaries).

"Dissemination Agent" shall mean the Trustee, acting in its capacity as Dissemination Agent, or any successor Dissemination Agent designated in writing by the City and which has filed with the Trustee a written acceptance of such designation.

"EMMA" shall mean 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.

"Listed Events" shall mean any of the events listed hereunder.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Provision of Annual Report. (a) The City shall, or cause the Dissemination Agent to, not later than 180 days after the end of each fiscal year (presently December 31) commencing with the report after the end of the 2019 fiscal year, provide to the MSRB an Annual Report with respect to the Series 2019A Bonds which is consistent with the requirements of the Continuing Disclosure Agreement. Each Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in the Continuing Disclosure Agreement; provided that the Financial Statements (defined below) of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date, but, in such event, such Financial Statements shall be submitted within thirty (30) days of receipt thereof by the City. If the fiscal year of the City changes, it shall give notice of such change in the manner as for a Listed Event.

(b) Not later than five (5) days prior to the date specified in subsection (a) for providing each Annual Report to the MSRB, the City shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). If by such date, the Trustee has not received a copy of the Annual Report, the Trustee shall contact the City and the Dissemination Agent to determine if the City is in compliance with the first sentence of this subsection (b).

(c) If the Trustee is unable to verify that an Annual Report (containing the information required in 1 under Content of Annual Report, below) has been provided to the MSRB by the date required in subsection (a), the Trustee shall send a notice to the MSRB.

(d) The Dissemination Agent shall file a report with the City and (if the Dissemination Agent is not the Trustee), the Trustee certifying that the Annual Report (containing the information required in 1 under Content of Annual Report, below) has been provided pursuant to this Disclosure Agreement and stating the date it was provided.

(e) As and to the extent an Annual Report or Notice of Listed Event is required to be filed under the Continuing Disclosure Agreement, the City shall submit such Annual Report or Notice of Material Event to 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 and Exchange Commission. All documents provided to the MSRB pursuant to the Continuing Disclosure Agreement shall be in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.
Content of Annual Report. The City’s Annual Report shall contain or incorporate by reference the following:

1. Pledged Revenues for the latest calendar year and the four (4) previous years, if available; and

2. The annual financial statements of the general fund of the City, which (i) need not be audited in accordance with auditing standards generally accepted in the United States of America, (ii) shall be prepared using accounting principles prescribed by Arkansas Code Annotated Section 10-4-412, as it may be amended from time to time, or any successor statute and (iii) shall be audited in accordance with, and as required by, State law (the "Financial Statements").

Any or all of the items above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's website or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so incorporated by reference.

Reporting of Listed Events. (a) This caption describes the giving of notices of the occurrence of any of the following events:

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. Series 2019A 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 an 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.

(b) After the occurrence of a Listed Event (excluding an event described in (a)8 above), the City shall promptly notify the Dissemination Agent (if other than the City) in writing. Such notice shall instruct the Dissemination Agent to report the occurrence.

(c) After the occurrence of a Listed Event (excluding an event described in (a)8 above), whether by notice from the Trustee or otherwise, the City shall file (or shall cause the Dissemination Agent to file), in a timely manner not in excess of ten (10) business days after the occurrence of such Listed Event, 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 and Exchange Commission, with a copy to the Trustee (if the Trustee is not the Dissemination Agent). 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. In the event of a Listed Event described in (a)8 above, the Trustee shall make the filing in a timely manner not in excess of ten (10) business days after the occurrence of such Listed Event.

Termination of Reporting Obligation. The City’s obligations under the Continuing Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all the Series 2019A Bonds.

Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to the Continuing Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the City shall be the Dissemination Agent. The initial Dissemination Agent shall be the Trustee.

Amendment; Waiver. Notwithstanding any other provision of the Continuing Disclosure Agreement, the City and the Trustee may amend the Continuing Disclosure Agreement, and any provisions of the Continuing Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the requirements for providing an Annual Report, to the contents of the Annual Report or to the reporting of Listed Events, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Series 2019A Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2019A Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Beneficial Owners of the Series 2019A Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Beneficial Owners, or (ii) does not, in the opinion of the Trustee, materially impair the interests of the Beneficial Owners of the Series 2019A Bonds.

In the event of any amendment or waiver of a provision of the Continuing Disclosure Agreement, the City shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event, and
(ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Additional Information. Nothing in the Continuing Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in the Continuing Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by the Continuing Disclosure Agreement. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by the Continuing Disclosure Agreement, the City shall have no obligation under the Continuing Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

Default. In the event of a failure of the City or the Trustee to comply with any provision of the Continuing Disclosure Agreement, the Trustee, the City or any Beneficial Owner may (and the Trustee, at the request of the Underwriter or the Beneficial Owners of at least 25% aggregate principal amount of outstanding Series 2019A Bonds, shall) take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City or the Trustee, as the case may be, to comply with its obligations under the Continuing Disclosure Agreement. A default under the Continuing Disclosure Agreement shall not be deemed a default under the Indenture, and the sole remedy under the Continuing Disclosure Agreement in the event of any failure of the City or the Trustee to comply with the Continuing Disclosure Agreement shall be an action to compel performance.

Duties of Trustee and Dissemination Agent and Right of Indemnity. The Dissemination Agent (if other than the Trustee) and the Trustee in its capacity as Dissemination Agent shall have only such duties as are specifically set forth in the Continuing Disclosure Agreement, and the City agrees to indemnify and save the Dissemination Agent and the Trustee, their officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their 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 or the Trustee’s gross negligence or willful misconduct.

Beneficiaries. The Continuing Disclosure Agreement shall inure solely to the benefit of the City, the Trustee, the Dissemination Agent, the Underwriter and the Beneficial Owners and shall create no rights in any other person or entity.
FINANCIAL INFORMATION

Upon request, the City will provide annual audited financial statements and other pertinent credit information relevant to the Series 2019A Bonds, and will provide copies to one or more major information providers in the state and local government securities market. Appropriate credit information necessary for maintaining the rating on the Series 2019A Bonds will be provided by the City to the rating agencies rating the Series 2019A Bonds.

The most recent audited general purpose financial statements for the City are the ones for the fiscal year ended December 31, 2017. The such audited financial statements can be viewed in their entirety, including the accountants' report, notes to the financial statements and required supplementary information on the City's website at www.nlr.ar.gov.

The Pledged Revenues pledged to the payment of the Series 2019A Bonds consist of franchise fees imposed by the City pursuant to Title 14, Chapter 200, Subchapters 101 through 112 and Title 23, Chapter 19, Subchapters 201 through 210 of the Arkansas Code of 1987 Annotated or successor statutes (the "Franchise Fee Acts") for products and services furnished or rendered by various public utilities within the City's corporate limits for the permission to occupy the streets, highways or other public places within the City. Except for video service provider fees collected under Title 23, Chapter 19, Subchapter 206 of the Arkansas Code of 1987 Annotated, which are collected in an amount equal to the lesser of (i) the percentage of gross revenues paid by an incumbent video service provider and (ii) five percent (5%), the maximum amount of the franchise fee that may be charged is the greater of 4.25% or the amount in effect on January 1, 1997, unless agreed to by the affected utility or approved by the voters of the City. The City charges a franchise fee based upon the gross revenues received by the public utility (unless otherwise noted below) during the preceding calendar year from residential and commercial customers in the City as follows:

<table>
<thead>
<tr>
<th>Public Utility</th>
<th>Charge Levy</th>
<th>Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas</td>
<td>4.25%</td>
<td>Monthly</td>
</tr>
<tr>
<td>Electric</td>
<td>4.25</td>
<td>Monthly</td>
</tr>
<tr>
<td>Telephone</td>
<td>5.00</td>
<td>Monthly</td>
</tr>
<tr>
<td>Cable Television</td>
<td>5.00</td>
<td>Annually</td>
</tr>
</tbody>
</table>

The City also collects franchise fees from the North Little Rock Wastewater Utility and Central Arkansas Water. Such franchise fees are not collected pursuant to the Franchise Fee Acts and are not a part of the Pledged Revenues. Central Arkansas Water provides water service to the City and is a consolidated water system formed by the Cities of Little Rock and North Little Rock.

Set forth below is a table showing the Pledged Revenues received for the past five years from each public utility:

<table>
<thead>
<tr>
<th>Public Utility</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas</td>
<td>$951,772</td>
<td>$887,651</td>
<td>$663,845</td>
<td>$741,765</td>
<td>$893,431</td>
</tr>
<tr>
<td>Electric</td>
<td>$445,301</td>
<td>$516,836</td>
<td>$496,965</td>
<td>$491,702</td>
<td>$453,396</td>
</tr>
<tr>
<td>Telephone</td>
<td>$447,835</td>
<td>$521,461</td>
<td>$467,750</td>
<td>$414,127</td>
<td>$351,972</td>
</tr>
<tr>
<td>Cable Television</td>
<td>$513,379</td>
<td>$492,829</td>
<td>$495,523</td>
<td>$454,558</td>
<td>$419,767</td>
</tr>
<tr>
<td>Total</td>
<td>$2,358,287</td>
<td>$2,418,777</td>
<td>$2,124,083</td>
<td>$2,102,152</td>
<td>$2,118,566</td>
</tr>
</tbody>
</table>
DEBT SERVICE COVERAGE

The following table shows the net revenues available for debt service based upon Pledged Revenues collected in 2018, the amount of maximum annual debt service for the Series 2019A Bonds, and the extent to which debt service on the Series 2019A Bonds is covered by such funds:

Pledged Revenues Available for Debt Service (A) $2,118,566
Maximum Annual Debt Service Requirements (B) 854,499
Debt Service Coverage (A/B) 2.48x

DEBT SERVICE REQUIREMENTS

Set forth below are the debt service requirements for the Series 2019A Bonds for each year:

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$445,000</td>
<td>$409,498.89</td>
<td>$854,498.89</td>
</tr>
<tr>
<td>2021</td>
<td>460,000</td>
<td>391,850.00</td>
<td>851,850.00</td>
</tr>
<tr>
<td>2022</td>
<td>485,000</td>
<td>368,850.00</td>
<td>853,850.00</td>
</tr>
<tr>
<td>2023</td>
<td>505,000</td>
<td>344,600.00</td>
<td>849,600.00</td>
</tr>
<tr>
<td>2024</td>
<td>535,000</td>
<td>319,350.00</td>
<td>854,350.00</td>
</tr>
<tr>
<td>2025</td>
<td>560,000</td>
<td>292,600.00</td>
<td>852,600.00</td>
</tr>
<tr>
<td>2026</td>
<td>585,000</td>
<td>264,600.00</td>
<td>849,600.00</td>
</tr>
<tr>
<td>2027</td>
<td>615,000</td>
<td>235,350.00</td>
<td>850,350.00</td>
</tr>
<tr>
<td>2028</td>
<td>645,000</td>
<td>204,600.00</td>
<td>849,600.00</td>
</tr>
<tr>
<td>2029</td>
<td>675,000</td>
<td>178,800.00</td>
<td>853,800.00</td>
</tr>
<tr>
<td>2030</td>
<td>700,000</td>
<td>151,800.00</td>
<td>851,800.00</td>
</tr>
<tr>
<td>2031</td>
<td>730,000</td>
<td>123,800.00</td>
<td>853,800.00</td>
</tr>
<tr>
<td>2032</td>
<td>755,000</td>
<td>94,600.00</td>
<td>849,600.00</td>
</tr>
<tr>
<td>2033</td>
<td>790,000</td>
<td>64,400.00</td>
<td>854,400.00</td>
</tr>
<tr>
<td>2034</td>
<td>820,000</td>
<td>32,800.00</td>
<td>852,800.00</td>
</tr>
</tbody>
</table>

TOTALS $9,305,000 $3,477,498.89 $12,782,498.89

The City has previously issued short-term notes under Amendment No. 78 to the Constitution of the State of Arkansas (collectively, the "Amendment 78 Notes"). The Amendment 78 Notes are charged against and payable from the general revenues of the City. The maximum maturity limit by law is five years for a financing. The final installment on the Amendment 78 Notes has been paid in 2019 and there are no Amendment 78 Notes outstanding at this time.
LEGAL MATTERS

Legal Proceedings. There is no litigation pending seeking to restrain or enjoin the issuance or delivery of the Series 2019A Bonds, or questioning or affecting the legality of Series 2019A Bonds or the Pledged Revenues or the proceedings and authority under which the Series 2019A Bonds are to be issued, or questioning the right of the City to enter into the Indenture or to issue the Series 2019A Bonds.

Legal Opinions. Legal matters incident to the authorization and issuance of the Series 2019A Bonds are subject to the unqualified approving opinion of Friday, Eldredge & Clark, LLP, Little Rock, Arkansas, Bond Counsel. Certain legal matters will be passed upon for the City by its counsel, Amy Fields, Esq., City Attorney.

Tax Exemption. In the opinion of Friday, Eldredge & Clark, LLP, Bond Counsel, under existing law the interest on the Series 2019A Bonds is exempt from all Arkansas state, county and municipal taxes.

In the opinion of Bond Counsel, interest on the Series 2019A Bonds under existing law is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2019A Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. These requirements generally relate to arbitrage, the use of the proceeds of the Series 2019A Bonds and the Project. Failure to comply with certain of such requirements could cause the interest on the Series 2019A Bonds to be so included in gross income retroactive to the date of issuance of the Series 2019A Bonds. The City has covenanted to comply with all such requirements in the Indenture.

Prospective purchasers of the Series 2019A Bonds should be aware that (i) with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest on the Series 2019A Bonds, (ii) interest on the Series 2019A Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (iii) passive investment income including interest on the Series 2019A Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such Subchapter S corporation is passive investment income and (iv) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account in determining gross income, receipts or accruals of interest on the Series 2019A Bonds.

Prospective purchasers of the Series 2019A Bonds should be further aware that Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2019A Bonds or, in the case of a financial institution, that portion of a holder’s interest expense allocated to interest on the Series 2019A Bonds, except with respect to certain financial institutions (within the meaning of Section 265(b)(5) of the Code).

As shown on the cover page of this Official Statement, certain of the Series 2019A Bonds are being sold at an original issue discount (collectively, the "Discount Bonds"). The difference between the initial public offering prices, as set forth on the cover page, of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes, as described above.

The amount of original issue discount which is treated as having accrued with respect to such Discount Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption, or payment at maturity). Amounts received upon disposition of such Discount Bond which are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days which are determined by reference to the
maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to the product of (i) the yield of maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount which would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less the amount of any interest payable for such Discount Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts which have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount which would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of the Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond.

Current or future legislative proposals, if enacted into law, may cause interest on the Series 2019A Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent holders of the Series 2019A Bonds from realizing the full current benefit of the tax status of such interest. On December 20, 2017, Congress passed The Tax Cuts and Jobs Act (the "Tax Legislation"), which, for tax years beginning after December 31, 2017, among other things, significantly changed the income tax rates for individuals and corporations, modified the current provisions relative to the federal alternative minimum tax on individuals and eliminated the federal alternative minimum tax for corporations. The Tax Legislation or the introduction or enactment of any other legislative proposals or clarification of the Code or court decisions may affect, perhaps significantly, the market price for, or marketability of, the Series 2019A Bonds. Prospective purchasers of the Series 2019A Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is not an event of default on the Series 2019A Bonds if legislation is enacted reducing or eliminating the exclusion of interest on state and local government bonds from gross income for federal or state income tax purposes.

**MISCELLANEOUS**

**Enforceability of Remedies.** Rights of the registered owners of the Series 2019A Bonds and the enforceability of the remedies available under the Indenture may depend on judicial action and may be subject to the valid exercise of the constitutional powers of the United States of America and of the sovereign police powers of the State or other governmental units having jurisdiction, and to the application of federal bankruptcy laws or other debtor relief or moratorium laws in general. Therefore, enforcement of those remedies may be delayed or limited, or the remedies may be modified or unavailable, subject to the exercise of judicial discretion in accordance with general principles of equity. Bond Counsel expresses no opinion as to any effect upon any right, title, interest or relationship created by or arising under the Indenture resulting from the application of state or federal bankruptcy, insolvency, reorganization, moratorium or similar debtor relief laws affecting creditors’ rights which are presently or may from time to time be in effect.

**Underwriting.** Under a Bond Purchase Agreement (the "Agreement") entered into by and between the City, as issuer, and Stephens Inc., as underwriter (the "Underwriter"), the Series 2019A Bonds are being purchased at a price of $10,501,273.10 (principal amount less underwriter's discount of $97,702.50 plus original issue premium of $1,293,975.60). The Agreement provides that the Underwriter will purchase all of the Series 2019A Bonds if any are purchased. The obligation of the Underwriter to accept delivery of the Series 2019A Bonds is subject to various conditions contained in the Agreement, including the absence of pending or threatened litigation questioning the validity of the Series 2019A Bonds or any proceedings in connection with the issuance thereof, and the absence of material adverse changes in the financial or business condition of the City.
The Underwriter intends to offer the Series 2019A Bonds to the public initially at the offering prices set forth on the cover page of this Official Statement, which prices may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2019A Bonds to the public. The Underwriter may offer and sell Series 2019A Bonds to certain dealers (including dealers depositing Series 2019A Bonds into investment trusts) at prices lower than the public offering price.

The City has agreed to indemnify the Underwriter against certain civil liabilities in connection with the offering and sale of the Series 2019A Bonds, including certain liabilities under federal securities laws.

**Rating.** Moody's Investors Service Inc. ("Moody's") has assigned a rating of "A1" to the Series 2019A Bonds. Such rating reflects only the views of Moody’s at the time such rating was given. An explanation of the significance of the rating may be obtained from Moody's. There is no assurance that such rating will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely by Moody's, if in its judgment circumstances so warrant. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the Series 2019A Bonds.

Neither the City nor the Underwriter has undertaken any responsibility subsequent to the issuance of the Series 2019A Bonds to assure the maintenance of the rating or to oppose any revision or withdrawal of the rating. No application has been made to any rating agency other than Moody’s for a rating on the Series 2019A Bonds.

**Information in the Official Statement.** Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Series 2019A Bonds.

The information contained in this Official Statement has been taken from sources considered to be reliable, but is not guaranteed. To the best of the knowledge of the undersigned the Official Statement does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The execution and delivery of this Official Statement on behalf of the City has been authorized by the City.

CITY OF NORTH LITTLE ROCK, ARKANSAS

By /s/ Joe A. Smith
Mayor

Dated: As of the Cover Page hereof