

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 31, 2026

New Issue

Book-Entry Only

Rating: Not Rated

Insured Rating: S&P "AA/Stable"

In the opinion of Bond Counsel, under existing law, assuming compliance with certain covenants described herein, (i) interest on the Series 2026 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 of 1986, as amended, that must have been or must be satisfied prior to or subsequent to the issuance of the Series 2026 Bonds, (ii) interest on the Series 2026 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, that with respect to certain corporations, interest on the Bonds will be taken into account in determining annual adjusted financial statement income for the purpose of computing the federal alternative minimum tax, and (iii) interest on the Series 2026 Bonds is exempt from all Arkansas state, county and municipal taxes. (See LEGAL MATTERS, Tax Exemption.)

\$1,815,000*

**CITY OF GENTRY, ARKANSAS
SALES AND USE TAX REVENUE IMPROVEMENT BONDS
SERIES 2026**

Dated: Date of Delivery

Due: December 1, as shown below

The Series 2026 Bonds of each maturity and interest rate 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 2026 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 2026 Bonds will not receive physical delivery of Series 2026 Bonds. Payments of principal of and interest on the Series 2026 Bonds will be made by Regions Bank, Little Rock, Arkansas, as the Trustee, directly to Cede & Co., as nominee for DTC, as registered owner of the Series 2026 Bonds, to be subsequently disbursed to DTC Participants and thereafter to the Beneficial Owners of the Series 2026 Bonds, all as further described herein.

Principal of and interest on the Series 2026 Bonds are payable from a pledge of the net collections derived by the City of Gentry, Arkansas (the "City") from one-half cent of the seven-eighths of one percent (0.875%) citywide local sales and use tax levied by the City and approved by the voters of the City at an election held November 6, 2018 (the "Pledged Tax") on a parity of security with the City's Sales and Use Tax Revenue Improvement Bonds, Series 2019. The pledge of the Pledged Tax to repayment of and as security for the Bonds was approved by the voters of the City at an election held September 10, 2019. See **SECURITY FOR THE SERIES 2026 BONDS** herein. The Series 2026 Bonds are being issued to provide funds to fund certain capital improvements of a public nature, and to pay costs associated with the issuance of the Series 2026 Bonds, including but not limited to, the cost of a bond insurance policy. See **PURPOSES FOR THE SERIES 2026 BONDS** herein.

The Bonds are special obligations of the City payable solely from the net collections of the Pledged Tax. The Bonds do not constitute an indebtedness of the City within any constitutional or statutory limitation.

Interest on the Series 2026 Bonds is payable on each June 1 and December 1 of each year, commencing December 1, 2026. The Series 2026 Bonds mature (on December 1 of each year), bear interest and are priced to yield as set forth on the inside cover of this Preliminary Official Statement. The Series 2026 Bonds are subject to redemption prior to maturity as more fully described in **THE SERIES 2026 BONDS**, Redemption herein.

The scheduled payment of principal and interest on the Series 2026 Bonds when due will be guaranteed under an insurance policy in the form of the Policy included as Exhibit D to this Preliminary Official Statement to be issued concurrently with the delivery of the Series 2026 Bonds by Assured Guaranty Inc.. See **BOND INSURANCE** herein.



The Series 2026 Bonds are offered, subject to prior sale, when, as and if issued and received by the Underwriter named below, subject to the approval of legality by Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C., Little Rock, Arkansas, Bond Counsel, and subject to certain other conditions.

It is expected that the Series 2026 Bonds will be available for delivery on or about May 18, 2026.*

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

Dated: _____, 2026

*Preliminary. Subject to change.

\$1,815,000*
CITY OF GENTRY, ARKANSAS
SALES AND USE TAX REVENUE IMPROVEMENT BONDS
SERIES 2026

MATURITY SCHEDULE*

\$1,815,000 Term Bonds

\$295,000	_____ %	Term Bonds Due December 1, 2031;	Yield _____ %
\$310,000	_____ %	Term Bonds Due December 1, 2036;	Yield _____ %
\$390,000	_____ %	Term Bonds Due December 1, 2041;	Yield _____ %
\$480,000	_____ %	Term Bonds Due December 1, 2046 ⁺ ;	Yield _____ %
\$340,000	_____ %	Term Bonds Due December 1, 2049;	Yield _____ %

⁺Priced to December 1, 2031 optional redemption date.

*Preliminary. Subject to change.

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No dealer, broker, salesman or any other person has been authorized by the City or Stephens Inc. (the “Underwriter”) to give any information or to make any representations other than those contained in this Preliminary Official Statement in connection with the offering of the Series 2026 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 Preliminary 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 Preliminary 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 2026 Bonds have not been registered under the Securities Act of 1933, as amended, nor has the Authorizing Ordinance described herein been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemption in such laws from such registration and qualification.

Certain information contained in this Preliminary Official Statement has been obtained from the City and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness and nothing in this Preliminary Official Statement is to be construed as a representation by the Underwriter.

The CUSIP numbers shown herein have been assigned by an organization not affiliated with the City. Neither the City, the Underwriter nor the Trustee were responsible for the selection of CUSIP numbers, and neither make any representation as to the accuracy of such numbers on the Series 2026 Bonds or as indicated herein.

CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by the CUSIP Service Bureau, operated by Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the City and are included solely for the convenience of the registered owners of the Series 2026 Bonds. The City and the Underwriter are not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness by the City on the Series 2026 Bonds and by the Underwriter on the Series 2026 Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2026 Bonds.

By its purchase of the Series 2026 Bonds, an investor is acknowledging that it has reviewed all the information it deems necessary to make an informed decision, and that it is not relying on any representation of the Underwriter or any of its officers, representatives, agents, or directors in reaching its decision to purchase the Bonds.

The investor, by its purchase of the Series 2026 Bonds, acknowledges its consent for the Underwriter to rely upon the investor’s understanding of and agreement to the preceding two paragraphs as such relates to the disclosure and fair dealing obligations that may be applicable to the Underwriter under applicable securities laws and regulations.

THIS PRELIMINARY OFFICIAL STATEMENT INCLUDES “FORWARD-LOOKING STATEMENTS” WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED FROM TIME TO TIME (THE “EXCHANGE ACT”). ALL STATEMENTS REGARDING THE CITY’S

EXPECTED FINANCIAL POSITION, BUSINESS AND FINANCING PLANS ARE FORWARD-LOOKING STATEMENTS. THE CITY BELIEVES THAT THE EXPECTATIONS REFLECTED IN SUCH FORWARD-LOOKING STATEMENTS, AND THE ESTIMATES AND ASSUMPTIONS, ON WHICH THEY ARE BASED, ARE REASONABLE. HOWEVER, ESTIMATES AND ASSUMPTIONS ARE INHERENTLY UNCERTAIN, AND NO ASSURANCE CAN BE GIVEN THAT THEY WILL PROVE TO BE CORRECT OR THAT EXPECTATIONS BASED UPON THEM WILL BE REALIZED. THE CITY THEREFORE CANNOT AND DOES NOT WARRANT THAT THE RESULTS CONTEMPLATED BY SUCH FORWARD-LOOKING STATEMENTS WILL BE ACHIEVED, AND IT IS LIKELY THAT ACTUAL RESULTS WILL DIFFER MATERIALLY FROM THOSE CONTEMPLATED BY SUCH FORWARD-LOOKING STATEMENTS. ACCORDINGLY, UNDUE RELIANCE SHOULD NOT BE PLACED UPON SUCH FORWARD-LOOKING STATEMENTS.

Assured Guaranty Inc. (“AG”) makes no representation regarding the Series 2026 Bonds or the advisability of investing in the Series 2026 Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Preliminary Official Statement or any information or disclosure contained herein, or omitted herein, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading **BOND INSURANCE** and Exhibit D - Specimen Municipal Bond Insurance Policy.

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PRELIMINARY OFFICIAL STATEMENT
\$1,815,000*
CITY OF GENTRY, ARKANSAS
SALES AND USE TAX REVENUE IMPROVEMENT BONDS
SERIES 2026

INTRODUCTION TO PRELIMINARY OFFICIAL STATEMENT

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

This Preliminary Official Statement of the City of Gentry, Arkansas (the “City”) is furnished in connection with the offering by the City of its \$1,815,000* principal amount of Sales and Use Tax Revenue Improvement Bonds, Series 2026 (the “Series 2026 Bonds” or the “Bonds”). The Series 2026 Bonds are being issued for the purpose of financing the constructing of recreational improvements and facilities (the “Improvements”); (b) funding a debt service reserve; and (c) paying the costs of issuing the Series 2026 Bonds, including but not limited to a bond insurance policy. See **PURPOSES FOR THE SERIES 2026 Bonds**.

The City is a city of the first class organized under the laws of the State of Arkansas (the “State”) and is located in Benton County, Arkansas (the “County”), which is in northwestern Arkansas and is approximately 220 miles northwest of Little Rock, Arkansas. The City is authorized and empowered under the laws of the State, including particularly Amendment No. 62 to the Constitution of the State of Arkansas (“Amendment 62”) and each of Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of 1987 Annotated and Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated (together, the “Authorizing Legislation”) to issue the Series 2026 Bonds, to expend the proceeds thereof for the intended purposes, and to pledge the Pledged Tax revenues for the intended purposes. See **THE CITY AND THE COUNTY**.

The Series 2026 Bonds are not general obligations of the City, but are special obligations payable from the net collections derived by the City from one-half cent of the seven-eighths of one percent (0.875%) citywide local sales and use tax levied by the City and approved by the voters of the City at an election held November 6, 2018 pursuant to Ordinance No. 18-782 of the City adopted on August 6, 2018 (the “Tax Election Ordinance”), and the electors of the City further approved the pledge of the Pledged Tax, which is the net collections derived by the City from one-half cent of sales and use tax previously levied, to the repayment of the Series 2026 Bonds at a special election held on September 10, 2019 pursuant to Ordinance No. 19-800 of the City adopted on July 8, 2019 (the “Pledge Election Ordinance”). The Series 2026 Bonds are issued on a parity of security with the City’s Sales and Use Tax Revenue Improvement Bonds, Series 2019 (the “Series 2019 Bonds”). The Pledged Tax has been collected since April 1, 2019. See **SECURITY FOR THE SERIES 2026 Bonds, The Pledged Tax**.

The Series 2026 Bonds are being issued pursuant to and in full compliance with Amendment 62, the Authorizing Legislation and Ordinance No. 26-____ of the City, adopted on _____, 2026 (the “Authorizing Ordinance”).

* Preliminary; subject to change.

The City has reserved the right in the Authorizing Ordinance to issue up to \$7,530,000* of additional bonds for Improvements on a parity of security with the Series 2019 Bonds and the Series 2026 Bonds (the “Additional Parity Bonds”); provided, that the amount available for the Additional Parity Bonds may increase or decrease in accordance with the final allocation of the Series 2026 Bonds. See **SECURITY FOR THE SERIES 2026 BONDS, Additional Parity Bonds and Parity Obligations**, herein.

Pursuant to the provisions of a Trust Indenture dated as of December 12, 2019, as supplemented and amended by First Supplemental Trust Indenture dated as of _____, 2026 (together, the “Indenture”), by and between the City and Regions Bank, Little Rock, Arkansas, as trustee and paying agent for the Series 2026 Bonds (the “Trustee”), the Series 2026 Bonds are issuable only as fully registered bonds, without coupons, in the denomination of \$5,000 or integral multiple thereof. Interest is payable December 1, 2026, and semiannually thereafter on each June 1 and December 1. Principal is payable at the principal office of the Trustee. Interest is payable by the Trustee to the registered owners as of the record date for each interest payment date. The record date for payment of interest on the Series 2026 Bonds shall be the fifteenth (15th) day of the calendar month next preceding each interest payment date. A Series 2026 Bond may be transferred, in whole or in part (in integral multiples of \$5,000), but only upon delivery of the Series 2026 Bond, together with a written instrument of transfer, to the Trustee. See **THE SERIES 2026 Bonds, Generally**.

The Series 2026 Bonds will be initially issued in book-entry form and purchasers of the Series 2026 Bonds will not receive certificates representing their interest in the Series 2026 Bonds purchased. See **THE SERIES 2026 Bonds, Book-Entry Only System**. The Series 2026 Bonds will contain such other terms and provisions as described herein. See **THE SERIES 2026 Bonds, Generally**.

The Series 2026 Bonds are subject to optional redemption on and after December 1, 2031*. The Series 2026 Bonds maturing on December 1 of each of 2031, 2036, 2041, 2046 and 2049* are subject to mandatory sinking fund redemption as described herein. The Trustee shall give at least thirty (30) days’ notice of redemption. See **THE SERIES 2026 Bonds, Redemption**.

Under existing law and assuming compliance with certain covenants described herein, (i) interest on the Series 2026 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 of 1986, as amended, that must have been or must be satisfied prior to or subsequent to the issuance of the Series 2026 Bonds, (ii) interest on the Series 2026 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, that with respect to certain corporations, interest on the Series 2026 Bonds will be taken into account in determining annual adjusted financial statement income for the purpose of computing federal alternative minimum tax, and (iii) interest on the Series 2026 Bonds is exempt from all Arkansas state, county and municipal taxes. See **LEGAL MATTERS, Tax Exemption**.

It is expected that the Series 2026 Bonds will be available for delivery on or about May 18, 2026* through the facilities of the Depository Trust Company in New York, New York.

The City and Regions Bank, Little Rock, Arkansas, as dissemination agent, 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**.

This Preliminary 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, 23rd Floor, Little Rock, Arkansas 72201.

* Preliminary; subject to change.

THE SERIES 2026 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 2026 Bonds. The Series 2026 Bonds will each be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered Bond certificate for each maturity and interest rate will be issued in the principal amount of the maturity and interest rate, and 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 transaction in deposited securities through electronic computerized book-entry changes in 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC, AND EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as 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 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC’s records. The ownership interest of each actual purchaser of each 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, but Beneficial Owners are 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 2026 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 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all 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 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such 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 to Cede & Co. If fewer than all of the Series 2026 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 to vote with respect to the Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee 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 2026 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 2026 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 2026 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, 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, 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 makes any representation or warranty regarding the accuracy or completeness thereof.

So long as the Series 2026 Bonds are in book-entry only form, Cede & Co., as nominee for DTC, will be treated as the sole owner of the Series 2026 Bonds for all purposes under the Indenture, including receipt of all principal of and interest on the Series 2026 Bonds and receipt of notices. The City and the Trustee have no responsibility or obligation to 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 2026 Bonds; (c) the delivery or timeliness of delivery by any Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Indenture to be given to owners of the Series 2026 Bonds; or (d) other action taken by DTC or Cede & Co. as owner of the Series 2026 Bonds.

Generally. The Series 2026 Bonds shall be dated, mature and bear interest and interest is payable on the Series 2026 Bonds as set forth on the cover page hereof. The Series 2026 Bonds are issuable in the form of registered bonds without coupons in denominations of \$5,000 or any integral multiple number thereof. In the event any Series 2026 Bond is mutilated, lost or destroyed, the Trustee shall authenticate and deliver to the registered owner a new Bond in accordance with the provisions therefor in the Indenture.

Each Series 2026 Bond is exchangeable or transferable by any registered owner thereof or by his, her or its attorney duly authorized in writing at the principal office of the Trustee. Upon such transfer a new fully registered Series 2026 Bond or Series 2026 Bonds of the same maturity and interest rate, 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 the owner of any Series 2026 Bond for the privilege of registration, but any owner 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 2026 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 2026 Bonds selected for redemption in whole or in part.

The person in whose name any Series 2026 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 of, premium, if any, or interest on any Series 2026 Bond shall be made only to or upon the order of the registered owner thereof or his, her or its 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 2026 Bond to the extent of the sum or sums so paid.

In any case where the payment date of interest on or principal of any Series 2026 Bonds or the date fixed for redemption of any Series 2026 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 payment date or the date fixed for redemption, and no interest shall accrue for the period after the payment date or date fixed for redemption.

Redemption. The Series 2026 Bonds are subject to optional and mandatory sinking fund redemption as follows:

(1) Optional Redemption. The Series 2026 Bonds or portions thereof may be redeemed prior to maturity, at the option of the City, from funds from any source, in whole at any time and in part on any interest payment date, on and after December 1, 2031* in inverse order of maturity (and by lot, chosen by any method selected by the Trustee, within a maturity) at a redemption price equal to the principal amount being redeemed plus accrued interest to the redemption date).

(2) Mandatory Sinking Fund Redemption.* To the extent not previously redeemed, the Series 2026 Bonds maturing on December 1 in the years 2031, 2036, 2041, 2046, and 2049 are subject to mandatory sinking fund redemption by lot in such manner as the Trustee shall determine, on December 1 in the years and in the amounts set forth below, at a redemption price equal to the principal amount being redeemed plus accrued interest to the date of redemption:

* Preliminary; subject to change.

Series 2026 Bonds Maturing December 1, 2031

<u>Year</u>	<u>Principal Amounts</u>
2026	\$25,000
2027	50,000
2028	55,000
2029	55,000
2030	55,000
2031 (maturity)	55,000

Series 2026 Bonds Maturing December 1, 2036

<u>Year</u>	<u>Principal Amounts</u>
2032	\$55,000
2033	60,000
2034	60,000
2035	65,000
2036 (maturity)	70,000

Series 2026 Bonds Maturing December 1, 2041

<u>Year</u>	<u>Principal Amounts</u>
2037	\$70,000
2038	75,000
2039	80,000
2040	80,000
2041 (maturity)	85,000

Series 2026 Bonds Maturing December 1, 2046

<u>Year</u>	<u>Principal Amounts</u>
2042	\$90,000
2043	90,000
2044	95,000
2045	100,000
2046 (maturity)	105,000

Series 2026 Bonds Maturing December 1, 2049

<u>Year</u>	<u>Principal Amounts</u>
2047	\$110,000
2048	110,000
2049 (maturity)	120,000

*Preliminary; subject to change.

(3) Extraordinary Redemption. The Series 2026 Bonds or portions thereof may be redeemed on any interest payment date from moneys in the Project Fund not needed to complete the Project, in inverse order of maturity (Bonds within a maturity to be selected by lot in such manner as the Trustee shall determine to be fair and equitable) at a redemption price equal to the principal amount being redeemed plus accrued interest to the redemption date.

Notice and Effect of Redemption. In the case of any redemption of Series 2026 Bonds prior to maturity, the Trustee shall mail a copy of the redemption notice to the registered owners of the Series 2026 Bonds to be redeemed, by first class mail, in each case not less than thirty (30) nor more than sixty (60) days prior to the date of redemption.

Notwithstanding the above, so long as the Bonds are issued in book-entry only form, if fewer than all the Bonds of the issue are called for redemption, the particular Bonds to be redeemed will be selected pursuant to the procedures established by DTC. So long as the 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 Bonds.

After the date for redemption, no further interest shall accrue on any Bond called for redemption if funds for redemption of such Bond have been deposited with the Trustee as provided in the Authorizing Ordinance.

BOND INSURANCE

Bond Insurance Policy.

Concurrently with the issuance of the Series 2026 Bonds, Assured Guaranty Inc. (“AG”) will issue its Municipal Bond Insurance Policy (the “Policy”) for the Series 2026 Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Series 2026 Bonds when due as set forth in the form of the Policy included as an appendix to this Preliminary Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL” and together with its subsidiaries, “Assured Guaranty”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO.” AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets, and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates, and in the annuity reinsurance business through Assured Life Reinsurance Ltd. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG’s financial strength is rated “AA” (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”), “AA+” (stable outlook) by Kroll Bond Rating Agency, Inc. (“KBRA”) and “A1” (stable outlook) by Moody’s Investors Service, Inc. (“Moody’s”). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG’s long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG (“AGM”), merged with and into AG, with AG as the surviving company (such transaction, the “Merger”). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings.

On August 4, 2025, KBRA announced that it had affirmed AG’s insurance financial strength rating of “AA+” (stable outlook).

On June 30, 2025, S&P announced that it had affirmed AG’s financial strength rating of “AA” (stable outlook).

On July 10, 2024, Moody’s, following Assured Guaranty’s announcement of the Merger, announced that it had affirmed AG’s insurance financial strength rating of “A1” (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody’s and/or KBRA may take. For more information regarding AG’s financial strength ratings and the risks relating thereto, see AGL’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Capitalization of AG.

At December 31, 2025:

- The policyholders’ surplus of AG was approximately \$3,249 million.
- The contingency reserve of AG was approximately \$1,511 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,411 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG’s wholly owned subsidiary Assured Guaranty UK Limited (“AGUK”), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA (“AGE”).

The policyholders’ surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference.

Portions of AGL’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025 filed with the Securities and Exchange Commission (the “SEC”) on February 27, 2026 that relate to AG are incorporated by reference into this Preliminary Official Statement and shall be deemed to be a part hereof.

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof “furnished” under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2026 Bonds shall be deemed incorporated by reference into this Preliminary Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC’s website at <http://www.sec.gov>, at AGL’s website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL’s website shall be deemed to be part of or incorporated in this Preliminary Official Statement.

Any information regarding AG included herein under the caption **BOND INSURANCE, Assured Guaranty Inc.** or included in a document incorporated by reference herein (collectively, the “AG Information”) shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously

included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Preliminary Official Statement, except as so modified or superseded.

Miscellaneous Matters.

AG makes no representation regarding the Series 2026 Bonds or the advisability of investing in the Series 2026 Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Preliminary Official Statement or any information or disclosure contained herein, or omitted herein, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading **BOND INSURANCE**.

PURPOSES FOR THE SERIES 2026 BONDS

At the special election held September 10, 2019, there was approved the issuance of bonds (including the Series 2019 Bonds, the Series 2026 Bonds, and additional bonds expected to be issued in the future as Additional Parity Bonds) in the aggregate principal amount of \$15,000,000 for the purposes of (a) financing all or a portion of the costs of the City’s recreational facilities and improvements, including particularly, without limitation, land acquisition, construction of a multiple-use recreational facility and parking, which facility may include athletic courts and fields, construction of a splash pad or other water feature, a walking track, bicycle trails, and other amenities, together with street, parking and drainage improvements therefor, extension of utilities, sidewalks, bicycle paths and utility relocations to such facilities, together with parking, furnishings, equipment, drainage, lighting, utility improvements and related traffic signals therefor, and to provide for future renovations and improvements to such facilities (the “Improvements”), (b) establishing a debt service reserve for the Series 2026 Bonds, and (c) paying the costs of issuing the Series 2026 Bonds, including, but not limited to the cost of a bond insurance policy.

The remaining Additional Parity Bonds are anticipated to be issued in subsequent series in an amount not to exceed \$7,530,000*; provided, that the amount available for the Additional Parity Bonds may increase or decrease in accordance with the final allocation of the Series 2026 Bonds. The Additional Parity Bonds will be issued for additional parks and recreational improvements. Other Additional Parity Bonds may also be authorized from time to time in accordance with the Indenture. The City has no plans to issue Additional Parity Bonds at this time.

SOURCES AND USES

The City will provide a debt service reserve and pay costs of issuing the Series 2026 Bonds from Series 2026 Bonds proceeds. The proceeds of the Series 2026 Bonds are estimated to be expended by the City as follows:

<u>Sources Of Funds</u> *	
Par Amount of Bonds	\$1,815,000*
Net Original Issue Premium (or Discount)	_____
Total Sources:	\$ _____
 <u>Uses Of Funds</u> *	
Series 2026 Construction Fund	\$
Series 2026 Debt Service Reserve Fund	_____
Rounding Amount	_____
Underwriters’ Discount	_____
Costs of Issuance [±]	_____
Total Uses:	\$ _____

* Preliminary; subject to change.
 ±Includes, among other costs, trustee fees, and counsel fees.

The payment of Underwriter’s discount and the costs of issuing the Series 2026 Bonds relating to the payment of professional fees will be contingent on the Series 2026 Bonds being issued. See **MISCELLANEOUS, Underwriting** for a description of the Underwriter’s discount. The City will then deposit the net proceeds of the Series 2026 Bonds (principal amount less Underwriter’s discount and certain issuance costs) into the “Series 2026 Construction Account” (the “Construction Fund”) held by the

Trustee. Moneys contained in the Construction Fund will be disbursed solely in payment of costs of the Improvements, in payment of the necessary expenses incidental thereto, in payment of the expenses of issuing the Series 2026 Bonds, and for such other purposes as are described in the Indenture (as hereinafter defined), see **THE INDENTURE**, The Bond Fund. Disbursements shall be on the basis of checks or requisitions that 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 2026 Bond proceeds are to be invested pending use and the provisions governing those investments, see **THE INDENTURE**, Investments.

SECURITY FOR THE SERIES 2026 BONDS

General. The Series 2026 Bonds are not general obligations of the City but are special obligations, secured by the pledge of the net collections of the Pledged Tax (“Pledged Tax Receipts”). Pledged Tax Receipts shall be used first to pay the principal of and interest on the Series 2019 Bonds, the Series 2026 Bonds, and any other Additional Parity Bonds subsequently issued on parity therewith, and thereafter to pay Trustee’s fees and expenses and other administrative charges, to pay any arbitrage rebate due under Section 148(f) of the Code, and to maintain the debt service reserve (as hereinafter described) for the Series 2026 Bonds and any bonds subsequently issued on parity therewith, at the required level and/or pay the costs of the Reserve Policy. Any balance may be used by the City for any lawful purpose. The Series 2026 Bonds are secured under the Indenture. For a summary of the terms of the Indenture, see **THE INDENTURE**.

Debt Service Reserve. A debt service reserve will be maintained in the Series 2026 Debt Service Reserve Account within the Bond Fund in an amount equal to the lesser of (i) ten percent (10%) of the principal amount of the Series 2026 Bonds, (ii) one-half (i.e. 50%) the maximum annual debt service on the Series 2026 Bonds, and (iii) one hundred twenty-five percent (125%) of the maximum annual debt service on the Series 2026 Bonds (the “Series 2026 Reserve Requirement”). See **THE INDENTURE**, The Bond Fund. The debt service reserve will be funded with cash or by issuance of a Reserve Policy. See **THE INDENTURE**, The Bond Fund.

Additional Parity Bonds and Parity Obligations.

(a) The City covenants that it will not issue any additional bonds, or incur any other additional obligations that (i) will in any way be superior to or rank on a parity with the Series 2019 Bonds and the Series 2026 Bonds, or (ii) will in any way be secured by a lien and charge on the receipts of the Pledged Tax Receipts or on the moneys deposited in or to be deposited in the Bond Fund, prior to or equal with the lien, pledge and charge created by the Indenture for the security of the Series 2019 Bonds and the Series 2026 Bonds, or (iii) will be payable prior to or equal with the payments to be made from the receipts of the Pledged Tax Receipts into the Bond Fund and Debt Service Reserve Account or from said Bond Fund and Debt Service Reserve Account for the payment of the Series 2019 Bonds and the Series 2026 Bonds, other than Additional Parity Bonds. Additional Parity Bonds may be issued so long as the City has received collections of the Pledged Tax Receipts for a twelve-month period ending on the last day of the month preceding the date that such Additional Parity Bonds are authorized by the City Council of the City to be issued, in an amount equal to or in excess of 120% of the maximum annual debt service requirement for the Series 2019 Bonds, the Series 2026 Bonds, any outstanding Additional Parity Bonds and the Additional Parity Bonds proposed to be issued. Pursuant to the Authorizing Ordinance, the City has anticipated that Additional Parity Bonds may be issued in subsequent series, and the electors of the City have authorized the issuance of up to \$7,530,000* of Additional Parity Bonds to be issued for the completion of additional parks and recreational improvements on a parity of security with the Series 2019 Bonds and the Series 2026 Bonds. Notwithstanding the above, nothing shall be construed to prohibit the City from refunding any Series 2019 Bonds, Series 2026 Bonds, or Additional Parity Bonds and pledging Pledged Tax Receipts to the refunding bonds on a parity with the non-refunded Series 2019 Bonds, Series 2026 Bonds, or Additional Parity Bonds.

(b) Before any Additional Parity Bonds are delivered by the Trustee, there must be delivered to the Trustee:

(1) A copy, certified by the City Recorder of the City, of the ordinance authorizing the series of Additional Parity Bonds and directing their delivery to or upon the order of purchasers therein named upon payment of the purchase price therein set forth;

(2) A certificate of the Mayor of the City stating that no event of default specified in the Indenture has happened and is then continuing;

(3) An opinion of counsel selected by the City but satisfactory to the Trustee that all required legal action precedent to the issuance of the Additional Parity Bonds has been taken and that, when executed, authenticated and delivered, such bonds will be valid, binding and enforceable obligations of the City secured by the Indenture on a parity with the Series 2019 Bonds, the Series 2026 Bonds, and other Additional Parity Bonds previously issued under the Indenture; and

(4) A certificate by an independent certified public accountant or a firm of independent certified public accountants, selected from time to time by the City, who may be the accountant or firm of accountants which regularly audits the books of the City to the effect that the Pledged Tax Receipts for the fiscal year immediately preceding the delivery of the Additional Parity Bonds (the “immediately preceding fiscal year”), were sufficient in amount: (i) to make all payments into the funds of the City created by the Indenture required by the provisions of the Indenture to be made during the immediately preceding fiscal year; and (ii) to leave a balance equal to not less than 120% of the maximum annual principal and interest requirements, during the current or any subsequent fiscal year of the City for (A) the then outstanding Series 2019 Bonds, Series 2026 Bonds, and other Additional Parity Bonds previously issued under the Indenture, (B) the Additional Parity Bonds then held by the Trustee for delivery, and (C) any then outstanding Series 2019 Bonds, Series 2026 Bonds, and other Additional Parity Bonds previously issued under the Indenture of a balance equal to not less than 120% of the maximum annual principal and interest requirements during the current or any subsequent fiscal year of the City for (A) the then outstanding series 2019 Bonds, Series 2026 Bonds, and other Additional Parity Bonds previously issued under the Indenture and (B) the Additional Parity Bonds then held by the Trustee for delivery.

(c) The Additional Parity Bonds shall be dated, interest shall be payable semiannually on the dates, the principal shall mature as serial bonds or as term bonds, or as a combination thereof, and they may contain provisions for redemption prior to maturity as well as other provisions, all as shall be set forth in the ordinance authorizing their issuance. The authorizing ordinance shall set forth the details concerning the Additional Parity Bonds, which shall be embodied in a supplemental indenture by and between the City and the Trustee. When there has been filed with the Trustee the ordinance, certificates and opinion referred to in subsection (b), and the Series 2019 Bonds, the Series 2026 Bonds, and other Additional Parity Bonds previously issued under the Indenture executed and sealed by the officers of the City as provided in the Indenture, and delivered to the Trustee, the Trustee shall authenticate the Additional Parity Bonds and deliver them to the purchaser upon payment of the purchase price. All such Additional Parity Bonds shall be issued on a parity with all other Series 2019 Bonds, Series 2026 Bonds, and any other bonds issued under the Indenture.

(d) Nothing in the Indenture shall prohibit the City from issuing bonds or other obligations of indebtedness other than under the Indenture. Such obligations may, subject to compliance with subsection (b), be issued on a parity with the Series 2019 Bonds, the Series 2026 Bonds, and any other Additional Parity Bonds issued under the Indenture.

Obligations issued on a parity with the Series 2019 Bonds and the Series 2026 Bonds are referred to as “Additional Parity Bonds.” All other obligations of the City shall be subject and subordinate to the lien, pledge and security interest of the Indenture, and to the Series 2019 Bonds, the Series 2026 Bonds, other Additional Parity Bonds previously issued under the Indenture, and Additional Parity Bonds then outstanding or thereafter issued.

The Pledged Tax. Pursuant to the Authorizing Legislation, the City has levied the Pledged Tax pursuant to the Tax Election Ordinance. The Pledged Tax is a tax within the City on all items that are subject to taxation under The Arkansas Gross Receipts Act of 1941 and a tax on the receipts from storing, distributing, using or consuming tangible personal property under The Arkansas Compensating (Use) Tax Act of 1949. Pursuant to the Pledge Election Ordinance and the Indenture, the City has pledged the Pledged Tax Receipts to the payment of the Series 2019 Bonds, the Series 2026 Bonds, and any Additional Parity Bonds issued on parity therewith. The levy of the Pledged Tax was approved at an election held November 6, 2018, and the pledge of the Pledged Tax was approved at a special election held on September 10, 2019.

The Streamline Sales and Use Tax Agreement (“Streamline”) has been adopted by the State and became effective on January 1, 2008. Streamline amended Arkansas sales and use tax law to allow the State to collect sales and use taxes from internet sales from vendors outside the State. Streamline limits the collection of the local sales and use tax on the first \$2,500 of sales proceeds only on the following sales: motor vehicles, aircraft, watercraft, modular homes, manufactured homes or mobile homes. There is no limit of the amount of local sales and use tax to be paid on all other items. The State allows businesses, nonprofits and governmental entities to file for a credit or rebate on a local sales and use tax if the amount on an invoice totals more than \$2,500 on certain qualified purchases. Claims for credit or rebates must be filed with the Arkansas Department of Finance and Administration (“DF&A”) within six (6) months from the date of purchase or six (6) months from the date of payment, if later. DF&A will then cause the State Treasurer to withhold the amount of the refund from future disbursements to the local government levying the sales and use tax.

Pursuant to Act 757 of 2011 (the “Sales Tax Holiday Act”), the State has created an annual sales tax holiday in which clothing (that are less than \$100 per item), clothing accessories or equipment (that are less than \$50 per item), school art supplies, school instructional materials and school supplies are exempt from taxation under The Arkansas Gross Receipts Tax Act of 1941. The annual sales tax holiday is from 12:01 a.m. on the first Saturday in August until 11:59 p.m. the following Sunday.

Set forth in Exhibit A attached hereto is a summary of certain provisions of the statutes authorizing the Pledged Tax. The summary does not purport to be complete statements of the laws. Reference is made to the Arkansas Code Annotated §26-52-101 et seq. and 26-53-101 et seq. for the full text and complete descriptions of such provisions.

Administration. Pursuant to the Authorizing Legislation, the Commissioner of Revenues of the State (the “Commissioner”) performs all functions incidental to the administration, collection, enforcement and operation of the Pledged Tax. All Tax Receipts collected, less certain charges payable and retainage due the Commissioner for administrative services in the amount of 3% of the gross Tax Receipts, shall be remitted by the State Treasurer to the City monthly. See **THE INDENTURE**, The Bond Fund.

Pledged Tax Receipts. The City has collected the seven-eighths of one percent (0.875%) citywide local sales and use tax approved by voters at the November 6, 2018 election since April 1, 2019, which collections were distributed to and received by the City in arrears (net of 3% retainage) beginning June 25, 2019 (the “Existing Sales Tax”), and pursuant to the election on September 10, 2019, voters approved a pledge of one-half cent of the Existing Sales Tax (the “Pledged Tax”) to repayment of the Series 2019 Bonds, the Series 2026 Bonds, and any Additional Parity Bonds issued subsequently thereto.

Receipts of the Pledged Tax for each year since collections commenced (net of the 3% retainage) are as follows¹:

**RECEIPTS OF PLEDGED TAX
(ONE-HALF CENT OF 0.875% TAX)**

Year	Pledged Tax Receipts
2019	\$337,114
2020	358,579
2021	412,511
2022*	455,364
2023*	474,220
2024*	561,399
2025	571,103

*On or about January 20, 2026, the City received a Notice of Decrease in Local Tax Distribution from the Arkansas Department of Finance and Administration (“DF&A”) relating to excess distributions of sales and use taxes disbursed by DF&A in the aggregate amount of \$426,000. Such amount relates to the entirety of the 2.0% sales and use tax levied by the City, of which tax one-half cent (i.e. 0.50%) comprises the Pledged Tax pledged as security for the Bonds. This results in a total of \$106,500 in excess distributions related to the Pledged Tax. Upon further discussion with DF&A, the City determined that the excess distribution received by the City was attributable to tax years 2022, 2023, and 2024 and was due to an erroneous overpayment of sales and use taxes made to DF&A by a taxpayer that subsequently filed amended tax returns for the tax years 2022, 2023, and 2024. The City has entered into an agreement with DF&A for the repayment of the excess distributions over a 24-month period from January of 2026 through December of 2027, which will result in \$17,750 per month being netted against monthly distributions of all sales taxes to be received by the City during the same 24-month period, of which amount \$4,437.50 per month will affect distributions of the Pledged Tax for such periods.

Future Tax Receipts. Receipts of the Pledged Tax will be contingent upon the sale and use of property and services within the City, which activity is generally dependent upon economic conditions within the City and surrounding trade area. Receipts of the Pledged Tax may be affected by changes to transactions exempted from the Pledged Tax made by legislation adopted by the General Assembly of the State or by the people of the State in the form of a constitutional amendment or initiated act. In the past the General Assembly of the State has considered new exemptions to the sales tax, such as food sales, which, if adopted, would materially reduce Tax Receipts. The City has no control over actions of the General Assembly or the people of the State and cannot predict whether changes to the Pledged Tax may be made. Accordingly, the City cannot predict with certainty the expected amount of Tax Receipts to be received and, therefore, there can be no assurance that Tax Receipts will be sufficient to pay the principal of and interest on the Series 2026 Bonds.

The United States Supreme Court held in *S. Dakota v. Wayfair, Inc.*, No. 17-494, 2018 WL 3058015 (U.S. June 21, 2018) that in certain circumstances retailers can be required to collect sales tax even in states where they have no physical presence. The Arkansas General Assembly passed Act 822 of 2019, which was signed by the Governor of the State on April 9, 2019, that requires out-of-state sellers without a physical presence in the State to collect and remit sales and use taxes to the State on annual sales of more than \$100,000 from products and services delivered into the State. Alternatively, such sellers would be required to collect and remit sales and use taxes to the State if sales of products and services for delivery in the State consist of 200 or more transactions. These thresholds are identical to those imposed by the United States Supreme Court in *S. Dakota v. Wayfair, Inc.*

¹Source: Arkansas State Treasurer.

DEBT SERVICE REQUIREMENTS

The following tables show amounts required to pay scheduled principal and interest on the Series 2026 Bonds during each year ending December 31.*

Year Ending December 31	Series 2026 Bonds Principal	Series 2026 Bonds Interest	Total Debt Service
2026	\$25,000.00	\$	\$
2027	50,000.00		
2028	55,000.00		
2029	55,000.00		
2030	55,000.00		
2031	55,000.00		
2032	55,000.00		
2033	60,000.00		
2034	60,000.00		
2035	65,000.00		
2036	70,000.00		
2037	70,000.00		
2038	75,000.00		
2039	80,000.00		
2040	80,000.00		
2041	85,000.00		
2042	90,000.00		
2043	90,000.00		
2044	95,000.00		
2045	100,000.00		
2046	105,000.00		
2047	110,000.00		
2048	110,000.00		
2049	120,000.00		
TOTAL:	\$1,815,000.00	\$	\$

* Preliminary; subject to change.

COMBINED PARITY BONDS: SERIES 2019 BONDS AND SERIES 2026 BONDS

The following is a combined debt service schedule for the Series 2019 Bonds and the Series 2026 Bonds beginning in 2026. The following table shows amounts required to pay scheduled principal and interest on the Series 2026 Bonds during each year ending December 31.*

Year Ending December 31	Series 2019 Bonds Debt Service	Series 2026 Bonds Debt Service	Total Debt Service
2026	\$287,750.00	\$	\$
2027	288,550.00		
2028	289,200.00		
2029	289,700.00		
2030	290,825.00		
2031	291,825.00		
2032	291,875.00		
2033	291,775.00		
2034	291,525.00		
2035	291,125.00		
2036	290,575.00		
2037	289,875.00		
2038	289,025.00		
2039	288,025.00		
2040	291,875.00		
2041	290,156.26		
2042	288,281.26		
2043	291,250.00		
2044	288,906.26		
2045	291,406.26		
2046	288,593.76		
2047	290,625.00		
2048	292,343.76		
2049	288,750.00		
2044			
2045			
2046			
2047			
2048			
2049			
TOTAL:	\$6,963,837.56	\$	\$

* Preliminary; subject to change.

DEBT SERVICE COVERAGE

Set forth below is the debt service coverage information for the Series 2026 Bonds. In arriving at the estimate of annual estimated Pledged Tax Receipts for this calculation, the City examined the collections of the Pledged Tax for the 12-month periods ending December 31, 2023, 2024, and 2025. See **SECURITY FOR THE SERIES 2026 BONDS, Pledged Tax Receipts**.

Actual receipts of the Pledged Tax collected by the City will depend upon, among other things, the level of retail activity within the City, the economic health of the City and surrounding trade area, possible future actions by the people of the State or General Assembly of the State defining transactions subject to the Pledged Tax and granting exemptions from the Pledged Tax, such as exemptions for food sales. The figures set forth below are only an estimate and there can be no assurance that future Pledged Tax Receipts will equal the estimate shown below. See **SECURITY FOR THE SERIES 2026 BONDS, Future Tax Receipts**.

Based upon the foregoing estimates and pledge of 100% of the Pledged Tax Receipts, the estimated maximum annual debt service coverage with respect to the Series 2019 Bonds and the Series 2026 Bonds is as follows:

Estimated Average Pledged Tax Receipts available for debt service ^(A)	\$500,074
Maximum Annual Debt Service on Series 2019 Bonds and Series 2026 Bonds ^(B)	\$416,356
<hr/>	
Estimated Debt Service Coverage ^(A/B)	1.20X

^(A)Based on three-year average of Pledged Tax Receipts, less excess distributions received for affected years. See **SECURITY FOR THE SERIES 2026 BONDS, Pledged Tax Receipts**.

^(B)Assumes an average coupon rate of 4.3236875% for the Series 2026 Bonds.

THE CITY AND THE COUNTY

Location. The City is located in Benton County, Arkansas (the “County”), and is a city of the first class organized and existing under the laws of the state of Arkansas. The City is located in northwestern Arkansas and is approximately 220 miles northwest of Little Rock, Arkansas. The City is 22 miles west of Bentonville, Arkansas and 13 miles west of the Northwest Arkansas Regional Airport.

Population. The County is comprised of 17 cities and a number of unincorporated townships. Since 1970, the population trend for the City and the County is as follows²:

<u>Year</u>	<u>City Population</u>	<u>County Population</u>
1970	1,022	50,476
1980	1,468	78,115
1990	1,726	97,499
2000	2,165	153,406
2010	3,541	222,592
2020*	3,850	286,621
2021*	4,001	294,168
2022*	4,225	303,558
2023*	4,463	312,248
2024*	4,672	321,566

*Estimates as of July 1 of each year per

Transportation. The City is served by State Highways 12 and 59. The nearest commercial airport is Northwest Arkansas Regional Airport, 13 miles east of the City.

City Council and Administration.³ The government of the City operates under the mayor-city council form of government, pursuant to which a mayor is elected for four-year term and eight aldermen are elected for four-year terms. The current mayor (whose term expires December 31, 2026) and aldermen of the City (whose terms variously expire December 31, 2026 and December 31, 2028) are as follows:

<u>Name</u>	<u>Office</u>	<u>Term Expiration</u>
Kevin Johnston	Mayor	2026
Emily Blackmon	City Clerk	2026
Joel Kurtz	City Attorney	2026
Janice Arnold	Alderman	2028
Jason Barrett	Alderman	2028
Michael Crawford	Alderman	2028
Kyle Jordan	Alderman	2026
David Page	Alderman	2026
Dan Erskin	Alderman	2028
Jimmy Thorburn	Alderman	2026
Todd Wagner	Alderman	2026

² Source: U.S. Bureau of the Census.

³ Source: Issuer.

Financial Institutions. Banks having branches in the City include Arvest Bank and Grand Savings Bank. Thirty-Three banks and financial institutions have branches within Benton County. Deposits in Benton County have been as follows for the years indicated⁴:

<u>Year (as of June 30)</u>	<u>Total Deposits</u>	<u>Average Annual Growth (%)</u>
2019	\$5,503,000,000	6.8
2020	6,773,000,000	23.1
2021	7,966,000,000	17.6
2022	8,945,000,000	12.3
2023	8,410,000,000	(6.0)
2024	9,614,000,000	14.3
2025	10,279,000,000	6.9

Education. Primary and secondary education for the City’s inhabitants are provided by the Gentry School District public school system. The University of Arkansas is located 30 miles away in Fayetteville and Northwest Arkansas Community College is located in Bentonville, Arkansas.

Employers. The following are the 10 largest major employers within the County⁵:

<u>Employer</u>	<u>Industry</u>
Walmart Stores, Inc.	Retail Department Stores
J.B. Hunt Transport Services, Inc.	Trucking
Bentonville School District	Public Schools
Rogers School District	Public Schools
McKee Foods Corporation	Commercial Bakeries
General Mills	Poultry Processing
Holganix LLC	Commercial Bakeries
Ozark Mountain Poultry Inc.	Poultry Processing
Simmons Prepared Foods	Poultry Processing
Mercy Health System	Medical & Hospital Systems
Casey’s Marketing Company	Gas Stations/Convenience Stores

Litigation. There is no material litigation pending or threatened against the City that would materially adversely affect the financial condition of the City.

⁴ Source: Federal Deposit Insurance Corporation.

⁵ Source: Arkansas Economic Development Commission.

City and County Economic Data.

Per Capita Personal Income. Per capita personal income estimates for the County for the last five years are as follows⁶:

<u>Year</u>	<u>Per Capita Personal Income</u>	<u>Average Annual Growth (%)</u>
2020	83,109	1.7
2021	105,578	23.8
2022	108,539	2.8
2023	116,244	6.9
2024	120,594	3.7

Total Personal Income. Total personal income estimates for the County for the last five years are as follows⁷:

<u>Year</u>	<u>Personal Income (in 000's)</u>	<u>Average Annual Growth (%)</u>
2020	23,820,924	3.4
2021	31,057,581	26.4
2022	32,947,980	5.9
2023	36,296,846	9.7
2024	38,778,980	6.6

Average Unemployment. The annual average unemployment rates for the County and the State of Arkansas as of January of each year for the last five years are as follows⁸:

<u>Year</u>	<u>Benton County (%)</u>	<u>State (%)</u>
2021	3.8	4.9
2022	2.7	3.2
2023	2.6	2.9
2024	2.9	3.4
2025	3.0	3.8

⁶ Source: U.S. Bureau of Economic Analysis.

⁷ Source: U.S. Bureau of Economic Analysis.

⁸ Source: U.S. Bureau of Labor Statistics.

THE INDENTURE

Set forth below is a summary of certain portions of the Indenture. This summary does not purport to be comprehensive and reference is made to the full text of the Indenture for a complete description of its provisions. **Unless the context clearly indicates otherwise, all references under this heading to the “Bonds” shall include the Series 2019 Bonds, the Series 2026 Bonds, and all Additional Parity Bonds.** The City will covenant as set forth below in the Indenture.

Revenue Fund. The City has designated the Trustee as the bank that shall receive collections of the Pledged Tax from the State Treasurer, and the City has covenanted to file and has filed a written designation thereof with the State Treasurer prior to the issuance of the Series 2026 Bonds. Upon receipt, the Trustee shall deposit all collections of the Pledged Tax into a special account of the City created under the Indenture and referred to as the “Revenue Fund”. The moneys in the Revenue Fund shall be applied in the manner hereinafter set forth.

Any surplus remaining in the Revenue Fund on the first business day of each month after making full provision for the transfers required to other funds described in the Indenture that represents revenues and income received by the Trustee from the Pledged Taxes shall be transferred to the City and may be used for any other lawful purpose.

Construction Fund. (a) The Trustee shall deposit a portion of the proceeds of the Series 2026 Bonds to the credit of the Series 2026 Construction Account within the Construction Fund in accordance with the written directions of the City given as provided in the Indenture.

(b) Moneys credited to the Construction Fund shall be expended only as set forth in the Indenture.

(c) Amounts in the Construction Fund shall be expended and applied for the payment of Project Costs. Specifically, amounts in the Series 2026 Construction Account within the Construction Fund shall be expended and applied for the payment of Series 2026 Project Costs. Disbursements shall be made from the Series 2026 Account within the Construction Fund on the basis of consecutively numbered Requisitions in the form attached to the Indenture and signed by an Authorized Representative. Requisitions may be submitted to the Trustee by certified mail, first class mail, electronic mail or facsimile transmission. If the Trustee deems that a Requisition submitted by the City is sufficient pursuant to the Indenture, the amount requested thereunder shall be disbursed in payment of the Project Costs set forth therein, or in reimbursement of such Project Costs, within two (2) Business Days of the date of receipt of such Requisition by the Trustee. Each Requisition shall specify:

(i) the name of the person or party to whom payment is to be made and the purpose of the payment;

(ii) the amount to be paid thereunder;

(iii) that such amount has not been previously paid by the City and is justly due and owing to the person(s) named therein as a proper payment or reimbursement of a series 2026 Project Cost; and

(iv) that no Event of Default exists under the Indenture and that, to the knowledge of the Authorized Representative, no event has occurred and continues which with notice or lapse of time or both would constitute an Event of Default under the Indenture.

(d) The Trustee shall keep full and complete records concerning and reflecting all disbursements from the Construction Fund and shall file an accounting of said disbursements if and when requested by the City. The Trustee shall only make payments from the Construction Fund pursuant to and in accordance with Requisitions. In making payments from the Construction Fund, the Trustee may rely on any Requisitions delivered to it pursuant to the Indenture, and the Trustee shall be relieved of all liability relating to payments made in accordance with such Requisitions and any supporting certificate or certificates requested by the Trustee without physical inspection of the Series 2026 Project. Within ninety (90) days following completion of the Series 2026 Project, the City shall deliver to the Trustee its Certificate stating that the Series 2026 Project is complete and the Trustee shall transfer the remaining moneys in the Series 2026 Construction Account of the Construction Fund (save and except moneys needed to satisfy unpaid Series 2026 Project Costs), to the Series 2026 Bond Fund for application to the retirement of the Series 2026 Bonds by redemption or purchase, as provided by the Indenture.

(e) Upon the occurrence and continuance of an Event of Default or the occurrence and continuance of an event which with notice or lapse of time or both would constitute an Event of Default, amounts on deposit in the Construction Fund shall not be disbursed but shall instead be applied to the payment of Debt Service or the redemption price of the Bonds.

Payments to Bond Fund. From the Revenue Fund, on the 25th day of each month, commencing on May 25, 2026 and on the 25th day of each month thereafter, the City shall deliver to the Trustee for deposit in the Bond Fund or as otherwise direct the required monthly deposit into the Bond Fund for the Bonds. If the City issues any Additional Parity Bonds on a parity of security with the Series 2019 Bonds and the Series 2026 Bonds, the obligation to make payments into the bond funds for any such Additional Parity Bonds shall rank on a parity of security with the obligation to make payments into the Bond Fund for the Series 2019 Bonds and the Series 2026 Bonds. In the event the Pledged Tax and other funds that may be legally used for such purpose are insufficient to make the full monthly deposits into the Bond Fund and any bond fund established for Additional Parity Bonds ranking on parity therewith, the amount deposited into each shall be reduced proportionally.

The required monthly deposit into the Bond Fund shall be an amount equal to one-sixth (1/6th) of the interest on the Series 2019 Bonds and the Series 2026 Bonds next due and an amount equal to one-twelfth (1/12th) of the principal of the Series 2019 Bonds and the Series 2026 Bonds next due, one-twelfth (1/12th) of the Trustee's fees and expenses and other administrative charges next due, one-sixth (1/6th) of the amounts necessary to return the Series 2019 Debt Service Reserve Account and the Series 2026 Debt Service Reserve Account to the required level and all amounts payable as arbitrage rebate for the Bonds. Moneys in the Bond Fund shall be used on each interest payment date (or in the case of a rebate payment under clause (5), on any date due) in the following order of priority as and when necessary: (1) to pay the interest on the Series 2019 Bonds and the Series 2026 Bonds then due; (2) to pay the principal of the Bonds then due at maturity or upon mandatory sinking fund redemption; (3) to transfer into the Series 2019 Debt Service Reserve Account and the Series 2026 Debt Service Reserve Account such amounts as necessary to increase the Series 2019 Debt Service Reserve Account and the Series 2026 Debt Service Reserve Account to the Reserve Requirement for each Series of Bonds; (4) to pay the Trustee's fees and expenses and other administrative charges then due; (5) to pay the amount that is payable as arbitrage rebate to the United States Treasury under Section 148(f) of the Code; and (6) for other lawful and permitted uses and purposes.

Bond Fund. (a) There shall be deposited to the credit of the Bond Fund all moneys required to be transferred thereto pursuant to of the Indenture and all other moneys received for said Fund.

(b) Moneys credited to the Bond Fund shall be expended only as set forth in the Indenture.

(c) The Trustee shall make the following payments from the Bond Fund:

(i) On each interest payment date for any of the Bonds Outstanding, the Trustee shall pay out of moneys credited to the Bond Fund the amounts required for the payment of interest on the Bonds due on such date, and on each redemption date, the amounts required for the payment of accrued interest on the Bonds then to be redeemed or purchased unless the payment of such accrued interest shall be otherwise provided for, and such amounts shall be applied to such payments;

(ii) On each principal payment or redemption date for any of the Bonds Outstanding, the Trustee shall pay out of moneys credited to the Bond Fund the amounts required for the payment of principal and premium, if any, due on the Bonds on such date, and such amounts shall be applied to such payments; and

(iii) If there shall be insufficient moneys in the Bond Fund to pay in full interest, principal or premium, if any, due on the Bonds on any interest or principal payment or redemption date, the Trustee shall, three business days prior to such date, transfer an amount equal to the deficiency into the Bond Fund from the Funds indicated in the following order:

FIRST: the Debt Service Reserve Account for the applicable Series of Bonds (for payment of principal and interest on that Series of Bonds on any interest or principal payment date only); and

SECOND: the Construction Fund for that Series of Bonds.

(d) All payments made pursuant to the Indenture shall be made in immediately available funds.

Cost of Issuance Fund. There shall be deposited to the credit of the Series 2026 Cost of Issuance Account in the Cost of Issuance Fund all moneys received for said Account and/or Fund pursuant to the Indenture. The Trustee shall pay those Costs of Issuance for the Series 2026 Bonds as directed by the City pursuant to the Delivery Instructions delivered on a Closing Date. After all Costs of Issuance of the Series 2026 Bonds have been paid, any remaining moneys in the Series 2026 Cost of Issuance Account in the Cost of Issuance Fund shall be transferred to the Series 2026 Bond Account within the Bond Fund.

Rebate Fund. (a) The Trustee shall establish and maintain, separate and apart from any other Funds and Accounts established and maintained hereunder, a Fund to be designated as the Rebate Fund, which Fund is not pledged to the payment of the Bonds. Subject to the transfer provisions provided in subsection (c) below, all moneys at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Amount (as defined in the Tax Compliance Certificate), for payment to the United States of America, and neither the City nor the Owner of any Bond shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by the Indenture and by the Tax Compliance Certificate.

(b) As provided in the Indenture, there shall be deposited in the Rebate Fund the amount of all income or gain on moneys deposited in any of the Funds and Accounts established by the Indenture which is required to be rebated to the United States and is designated for deposit therein, as calculated by the City to be owing to the United States pursuant to the Tax Compliance Certificate.

(c) The Trustee, upon receipt of written instructions from the Mayor or City Clerk/Recorder of the City, shall pay to the United States out of amounts in the Rebate Fund such amounts as are required pursuant to the Tax Compliance Certificate.

(d) Any moneys remaining in the Rebate Fund after payment to the United States, within sixty (60) days after the date on which the last Bond is redeemed, of one hundred percent (100%) of the rebate amount as described in Section 148(f)(2) of the Code, shall be transferred to the Bond Fund.

(e) The Trustee, as instructed by Certificate of the City or the Delivery Instructions, shall invest all amounts held in the Rebate Fund in Permitted Investments, subject to the restrictions set forth in the Tax Compliance Certificate. Money shall not be transferred from the Rebate Fund except as provided in subsections (c) and (d).

(f) Notwithstanding any other provision of the Indenture, the obligation to remit the Rebate Amount to the United States and to comply with all other requirements of the Indenture and the Tax Compliance Certificate shall survive the defeasance or payment in full of the Bonds.

Debt Service Reserve Account. (a) Upon the issuance of the Series 2026 Bonds, there shall be deposited into the Series 2026 Debt Service Reserve Account for the Series 2026 Bonds, from proceeds of the Series 2026 Bonds, an amount sufficient to cause the amounts on deposit therein to be equal to the Series 2026 Reserve Requirement for the Series 2026 Bonds. The Series 2026 Debt Service Reserve Account for the Series 2026 Bonds shall be maintained in an amount equal to the Series 2026 Reserve Requirement for the Series 2026 Bonds. Amounts on deposit in the Series 2026 Debt Service Reserve Account shall be used solely to pay the principal of and interest on the Series 2026 Bonds for which there are no available funds in the Series 2026 Bond Fund to make such payments, as the same become due at maturity. If the Series 2026 Debt Service Reserve Account, by virtue of any such payment, is reduced below the Series 2026 Reserve Requirement, it shall be reimbursed in the amount of any such deficiency as provided in the First Supplemental Indenture for the Series 2026 Bonds. Notwithstanding the above provisions, the amount on deposit in the Series 2026 Debt Service Reserve Account may be used, together with other available funds, to provide for the payment at maturity or to redeem prior to maturity all, but not less than all, of the Outstanding Bonds. If an excess shall exist in the Series 2026 Debt Service Reserve Account over and above the Series 2026 Reserve Requirement, such excess shall be transferred to the Series 2026 Bond Fund.

(b) The City shall restore Series 2026 Debt Service Reserve Account to the Series 2026 Reserve Requirement by a deposit of cash from the first available revenue from the Revenue Fund. If at any time the City utilizes a debt service reserve insurance policy (the "Reserve Policy"), then the City shall be obligated to repay the reserve insurer thereunder for any draws under such Reserve Policy for the Series 2026 Bonds and pay all related reasonable expenses incurred by such debt service reserve insurer. Repayment of draws on the reserve policy (if any) for the Series 2026 Bonds shall commence on the first month following each draw, and each such monthly payment shall be in an amount equal to 1/12th of the aggregate policy costs related to such draw.

(c) The Series 2026 Reserve Requirement for the Series 2026 Bonds may be satisfied by (i) the deposit of cash, (ii) the deposit of Permitted Investments, (iii) the issuance of a Reserve Policy, or (iv) any combination thereof.

Investments.

At the direction of the City, the Trustee shall invest moneys in Funds or Accounts held by the Trustee in Permitted Investments with maturity or redemption dates consistent with the times at which said moneys will be required for the purposes provided in the Indenture; provided, however, the stated maturity dates of Permitted Investments or Debt Service Reserve Account moneys shall not exceed five years from the date of investment therein. Moneys in separate Funds or Accounts may be commingled for the purpose of investment.

Subject to the provisions of the Tax Compliance Certificate and the Indenture, Permitted Investments purchased with moneys held in or attributable to any Fund or Account held by the Trustee under the provisions of the Indenture shall be deemed at all times to be a part of such Fund or Account and the income or interest earned, profits realized or losses suffered by a Fund or Account due to the investment thereof shall be retained in, credited or charged, as the case may be, to such Fund or Account unless otherwise provided pursuant to the Indenture.

In determining the value of any Fund or Account held by the Trustee under the Indenture, the Trustee shall credit Permitted Investments at the fair market value thereof, as determined by the Trustee by any method selected by the Trustee in its reasonable discretion. No less frequently than annually, and in any event within thirty (30) days prior to the end of each Fiscal Year, the Trustee shall determine the value of each Fund and Account held hereunder and shall report such determination to the City.

The Trustee shall sell or present for redemption any Permitted Investments as necessary in order to provide money for the purpose of making any payment required hereunder, and the Trustee shall not be liable for any loss resulting from any such sale.

The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it at the direction of the City.

“Permitted Investments” are defined as (i) direct or fully guaranteed obligations of the United States of America (“Government Securities”), (ii) direct obligations of an agency, instrumentality or government-sponsored enterprise created by an act of the United States Congress and authorized to issue securities or evidences of indebtedness, regardless of whether the securities or evidences of indebtedness are guaranteed for repayment by the United States Government, (iii) certificates of deposit or time deposits of banks, including the Trustee, which are insured by FDIC or, if in excess of insurance coverage, collateralized by Government Securities or other securities authorized by Arkansas law to secure public funds, (iv) money market funds invested exclusively in Government Securities and the obligations described in (ii) above, or (v) any other investment authorized by applicable laws of the State of Arkansas.

Certain Covenants. The City covenants as follows:

The City will not use or permit the use of any of the Series 2026 Bonds proceeds or any other funds of the City, directly or indirectly, in any manner, and will not take or permit to be taken any other action or actions which would adversely effect the exclusion of interest on any Bond from gross income for federal income tax purposes. No part of the proceeds of the Series 2026 Bonds shall at any time be used, directly or indirectly, to acquire securities or obligations the acquisition of which would cause any of the Series 2026 Bonds to be an “arbitrage bond” as defined in Sections 148(a) and (b) of the Code. The City agrees that so long as any of the Series 2026 Bonds remain Outstanding, it will comply with the provisions of the Tax Compliance Certificate.

The City will use its best efforts to acquire and construct the Series 2026 Project with all reasonable dispatch and to use its best efforts to cause the acquisition and construction of the Series 2026 Project to be completed as soon as may be practicable, but in any case within a period not to exceed three (3) years after the issuance of the Series 2026 Bonds, delays caused by *force majeure* only excepted, but if for any reason such acquisition and construction is not completed within said period, there shall be no diminution or postponement of payments required hereunder to be made by the City. Promptly after each such Completion Date, the City shall submit to the Trustee the certificate of an Authorized Representative which shall specify the Completion Date and shall state that acquisition and construction of the applicable Project has been completed and the Series 2026 Project Costs have been paid, except for any Series 2026 Project Costs that have been incurred but are not then due and payable, or the liability for the payment of

which is being contested or disputed by the City, and for the payment of which the Trustee is directed to retain specified amounts of moneys in the Construction Fund. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights against third parties which exist at the date thereof or which may subsequently come into being

It will not use or permit the use of the Improvements or the proceeds of the Series 2026 Bonds in such manner as to cause the Series 2026 Bonds to be private activity bonds within the meaning of Section 141 of the Code.

The City will not create or suffer to be created any lien or charge upon the Trust Estate, except in accordance with the provisions of the Indenture; *provided*, however, that the City shall be permitted, from time to time, to sell, exchange or otherwise dispose of any properties and to release, relinquish, or extinguish any interest therein that is not needed or serves no useful purpose in connection with the maintenance and efficient operation of the properties of the City, and the proceeds thereof shall be applied to the replacement of the properties so sold or disposed of, if replacement is necessary or desirable. The Trustee is expressly authorized to take any required steps to release the lien of the Indenture as to any property so disposed

It will faithfully and punctually perform all duties with reference to the Pledged Tax and the Series 2026 Bonds, required by the Constitution and laws of the State and by the Indenture, including the collection of Tax, as therein specified and covenanted, the segregating of the Pledged Tax Receipts and the applying of the Pledged Tax Receipts as provided in the Indenture.

It will make any arbitrage rebate payment due the United States under Section 148(f) of the Code from moneys in the Bond Fund.

Defaults and Remedies.

If there be any default in the payment of the principal of, premium, if any, or interest on any of the Bonds, whether at the stated maturity thereof, by redemption, pursuant to any mandatory sinking fund requirements, by acceleration or otherwise or if the City defaults in the performance of any of the other covenants contained in the Indenture, the Trustee may, and upon the written request of the registered owners of not less than 25% in principal amount of the then outstanding Bonds, shall, by proper suit compel, by mandamus or otherwise, the performance of the duties of the officials of the City and officials of the State, 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 outstanding Bonds 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 25% 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 the power and trust of the Indenture and to any remedy thereunder. 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 the 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 outstanding Bonds.

All rights of action under the Indenture or under any of the Bonds, 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.

No remedy herein conferred upon or reserved to the Trustee or to the owners of the Bonds is intended to be exclusive of any other remedy or remedies herein provided, and each and every other remedy given hereunder or given by any law or by the Constitution of the State.

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 owners of not less than a majority of the owners in principal amount of the Bonds then outstanding shall, waive any default that shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted under the provisions of the Indenture or before the completion of the enforcement of any other remedy, 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.

Defeasance. (a) If, when the Bonds secured by the Indenture shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds for redemption shall have been given by the City to the Trustee, the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds then Outstanding shall be paid or sufficient moneys shall be paid to the Trustee for such purpose under the provisions of the Indenture (if such moneys are invested in noncallable Government Obligations having maturity dates on or prior to the date the moneys will be needed, there may be included in determining the sufficiency of the moneys, the interest to be earned on such investments), and provisions shall also be made for paying all other sums payable hereunder by the City, then and in that case the right, title and interest of the Trustee shall thereupon cease, terminate, and become void, and the Trustee in such case, on demand of the City, shall release this Indenture and shall execute such documents to evidence such release as may be reasonably required by the City, and shall turn over to the City or to such officer, board or body as may then be entitled by law to receive the same any moneys remaining in its hands other than moneys held for the redemption or payment of Bonds or held in the Rebate Fund (as to which the provisions of the Indenture shall continue to apply); otherwise this Indenture shall be, continue and remain in full force and effect.

(b) No defeasance pursuant to the Indenture shall occur unless there has been delivered to the Trustee and the Bond Insurer (i) a report from a certified public accountant verifying the sufficiency of the provisions for payment of the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds then Outstanding and all other sums payable hereunder by the City, (ii) an opinion of Bond Counsel that the requirements of the Indenture relating to defeasance of the Bonds have been met; (iii) an opinion of Bond Counsel to the effect that such defeasance will not adversely impact the exclusion from gross income for federal income tax purposes of interest on the Bond, (iv) an escrow agreement in connection with such defeasance which provides that any substitution of securities thereunder shall require the verification report of a certified public accountant and that the City will not exercise any optional redemption of the Bonds secured by the escrow agreement or any

other redemption unless the right to make any such redemption has been disclosed in detail in the official statement for the refunding bonds.

The Trustee. The Trustee shall only be responsible for the exercise of good faith and reasonable prudence in the execution of its trust. The Trustee shall not be required to take any action as Trustee unless it shall have been requested to do so in writing by the registered owners of not less than 25% in principal amount of the Bonds then outstanding and shall have been offered reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby. The Trustee may resign at any time by giving sixty (60) days' notice in writing to the City Clerk/Recorder and the registered owners of the Bonds, and the City, so long as the City is not in default under the Indenture, upon notice to the majority in value of the registered owners of the outstanding Bonds, with or without cause, may remove the Trustee. In the event of a vacancy in the office of Trustee, either by resignation or by removal, the City shall forthwith designate a new Trustee by a written instrument filed in the office of the City Clerk/Recorder. Every successor Trustee shall be a trust company or bank in good standing, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$40,000,000. The preceding criteria may be met by a parent corporation if the parent corporation has guaranteed the obligations of the Trustee. The original Trustee and any successor Trustee shall file with the City a written acceptance and agreement to execute the trusts imposed upon it or them but only upon the terms and conditions set forth in the Indenture and subject to the provisions of the Indenture, to all of which the respective registered owners of the Bonds agree. Any successor Trustee shall have all the powers granted to the original Trustee. Notwithstanding the above, neither the removal of the Trustee nor the resignation by the Trustee shall be effective until a successor Trustee shall have been appointed.

Amendment of Indenture.

Supplemental Indentures Not Requiring Consent of Bondholders. The City and the Trustee may, from time to time and at any time, enter into such Supplemental Indenture as shall not be inconsistent with the terms and provisions of the Indenture (a) to cure any ambiguity or formal defect or omission in the Indenture or in any Supplemental Indentures, or (b) to grant to or confer upon the Trustee for the benefit of the holders any additional rights, remedies, powers, or security that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or (c) in connection with the issuance of Additional Parity Bonds, or (d) to make any other change determined by the Trustee, in reliance on opinions of counsel and certifications of the City, to be not materially adverse to the interests of the Bondholders or the Bond Insurer or that does not involve a change referred to in the Indenture that requires consent of specific Bondholders or the Bond Insurer.

Supplemental Indentures Requiring Consent of Bondholders. The holders of not less than two-thirds (2/3) in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the City and the Trustee of such Supplemental Indenture or Indentures as shall be deemed necessary and desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that no Supplemental Indenture shall permit, or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Bond, or (b) a reduction in the principal amount of any Bond or the rate of interest thereon, or (c) the creation of a lien upon the mortgaged properties or a pledge of the revenues pledged to Bonds issued under the Indenture other than the lien and pledge created and authorized by the Indenture or that purports to be on a parity with the lien and pledge created by and authorized by the Indenture other than as authorized by the original indenture, or (d) a privilege or priority of any Bond over any other Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture.

Nothing herein contained, however, shall be construed as making necessary the approval of Bondholders of the execution of any Supplemental Indenture as provided in the Indenture.

If, at any time the City shall request the Trustee to enter into any Supplemental Indenture for any of the purposes of this Section, the Trustee shall, at the expense of the City, cause notice of the proposed execution of such Supplemental Indenture to be mailed by first class mail to each registered owner of the Bonds. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the designated office of the Trustee for inspection by Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail such notice, and any such failure shall not affect the validity of such Supplemental Indenture when consented to and approved as provided in the Indenture. If the Holders of not less than 2/3 in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof.

CONTINUING DISCLOSURE AGREEMENT

The City will enter into a Continuing Disclosure Agreement with the Trustee, as Dissemination Agent, in the form attached hereto as Exhibit C. Reference is made to Exhibit C regarding the undertakings made by the City to provide certain updated financial information and operating data annually, and the timely notice of specified material events as described in Securities and Exchange Commission Rule 15c2-12 (the “Rule”). Currently, such information will be made available by the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Markets Access (“EMMA”) system, where said information will be available to the general public, without charge, at www.emma.msrb.org. Annual reports as specified in the Continuing Disclosure Agreement will first be filed for information relating to the City’s fiscal year ending December 31, 2025. As of the date hereof, most recent fiscal year for which the City’s audit is available is for the year ended December 31, 2024. The auditor of the Issuer’s financial statements is currently Berry & Associates, Certified Public Accountants.

As part of its undertaking for Series 2026 Bonds, the City has agreed to provide to the MSRB the following: (i) within 240 days of the City’s fiscal year end (presently December 31), information regarding the collections of the Pledged Tax received by the City including but not limited to collections and receipts of the Pledged Tax for the latest year for which available and up to the four previous years (as available) and (ii) audited financial statements of the City, which may be submitted separately from the balance of the City’s annual report and later than the date required above for the filing of its annual report if they are not available by that date, but shall be submitted within 60 days of becoming available. The audited financial statements will be prepared either by the Legislative Joint Auditing Committee of the Arkansas Division of Legislative Audit (the “Legislative Joint Auditing Committee”) or by a certified public accountant and will be conducted in accordance with either Arkansas law or generally accepted auditing standards and government auditing standards issued by the Controller General of the United States. Due to the large number of audits conducted by the Legislative Joint Auditing Committee, the City has little control over when the audit will be performed or delivered to the City for review and approval. The City has agreed, under the terms of the Continuing Disclosure Agreement, to provide its annual report, including its audited financial statements, by December 30 of the year following the end of the City’s fiscal year. The City intends to incorporate by reference any audited financial statements of the City made public by the Legislative Joint Auditing Committee on its website at www.legaudit.state.ar.us. In addition, the City has agreed to provide other financial information and operating data required by the Rule on an annual basis.

During the past five years and in connection with the City’s previous bond issues, the City entered into individual continuing disclosure undertakings (“Undertakings”) in written agreements specified in paragraph (b)(5)(i) of the Rule, including: (a) an Undertaking with respect to the Series 2019 Bonds, (b) an Undertaking with respect to the City’s Water and Sewer Revenue Refunding Bonds, Series 2016 (the “Series 2016 Water Sewer Bonds”), and (c) an Undertaking with respect to the City’s Water and Sewer Revenue Bonds Series 2020 (the “Series 2020 Water Sewer Bonds”).

As part of its Undertaking for Series 2019 Bonds, the City agreed to provide to the MSRB the following: (i) within 240 days of the City’s fiscal year end (presently December 31), information regarding the collections of the Pledged Tax received by the City including but not limited to collections and receipts of the Pledged Tax for the latest year for which available and up to the four previous years (as available) and (ii) audited financial statements of the City, which may be submitted separately from the balance of the City’s annual report and later than the date required above for the filing of its annual report if they are not available by that date, but shall be submitted within 60 days of becoming available. The City timely filed its annual report regarding collections of the Pledged Tax for each of the years ended December 31, 2020, 2021, 2022, 2023, and 2024, but was approximately two days late making its filing for the year ended December 31, 2023. The City mistakenly reported receipts of all sales taxes (2.0%) collected by the City for the years ended December 31, 2022, 2023, and 2024 instead of reporting receipts of only the Pledged

Tax (0.5%) and on March 13, 2026, the City filed amended annual reports to correctly reflect receipts of the Pledged Tax for such years. The City's audited financial statements for the years ended December 31, 2020, 2021, 2022, and 2024 were timely filed in each instance, but the City filed its audited financial statements for the year ended December 31, 2023 approximately 270 days late. In addition, on or about January 20, 2026, the City received a Notice of Decrease in Local Tax Distribution from the Arkansas Department of Finance and Administration ("DF&A") relating to excess distributions of sales and use taxes disbursed by DF&A to the City in the aggregate amount of \$426,000. Such amount relates to the entirety of the 2.0% sales and use tax levied by the City, of which tax one-half cent (i.e. 0.50%) comprises the Pledged Tax pledged as security for the Series 2019 Bonds, which resulted in a total of \$106,500 in excess distributions related to the Pledged Tax. The City entered into an agreement with DF&A for the repayment of the excess distributions over a 24-month period from January of 2026 through December of 2027, which will result in \$17,750 per month being netted against monthly distributions of sales taxes to be received by the City during the same 24-month period, of which amount \$4,437.50 per month will affect distributions of the Pledged Tax for such periods. The City filed a notice of listed event with respect to such obligation.

As part of its Undertaking for the Series 2016 Water Sewer Bonds and the Series 2020 Water Sewer Bonds, the City agreed to provide annual reports not later than two hundred seventy (270) days after the end of the City's water and sewer system (the "System")'s fiscal year (presently December 31). As part of such annual reports, the City is obligated to file the audited financial statements of the System. If the audited financial statements are unavailable on the date the System's annual report is due, the audited financial statements must be filed within 30 days of receipt. Annual financial information for the System's fiscal years ended December 31, 2020, 2021, 2022, 2023 and 2024 were timely filed on the 2020 Water Sewer Bonds. However the annual information for fiscal years ended December 31, 2022, 2023 and 2024 was not linked to all applicable CUSIP numbers of the 2016 Water Sewer Bonds. Audited financial statements of the System were timely filed in connection with the 2016 Water Sewer Bonds and the 2020 Water Sewer Bonds.

LEGAL MATTERS

Legal Proceedings. There is no litigation pending seeking to restrain or enjoin the Pledged Tax or the issuance or delivery of the Series 2026 Bonds, or questioning or affecting the legality of the Pledged Tax or Series 2026 Bonds or the proceedings and authority under which the Series 2026 Bonds are to be issued, or questioning the right of the City to enter into the Indenture or to issue the Series 2026 Bonds or the pledge of the Pledged Tax by the City.

Legal Opinions. Legal matters incident to the authorization and issuance of the Series 2026 Bonds are subject to the unqualified approving opinion of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C., Little Rock, Arkansas, Bond Counsel.

Tax Exemption. In the opinion of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C., Little Rock, Arkansas, Bond Counsel, under existing law the interest on the Series 2026 Bonds is exempt from all Arkansas state, county and municipal tax.

Also, in the opinion of Bond Counsel, interest on the Series 2026 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; provided, however, with respect to certain corporations, such interest will be taken into account in determining annual adjusted financial statement income for the purpose of computing 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 2026 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 2026 Bonds and the Improvements. Failure to comply with certain of such requirements could cause the interest on the Series 2026 Bonds to be so included in gross income retroactive to the date of issuance of the Series 2026 Bonds. The City has covenanted to comply with all such requirements in the Indenture.

Prospective purchasers of the Series 2026 Bonds should be aware that (i) with respect to insurance companies subject to the Pledged 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 2026 Bonds, (ii) interest on the Series 2026 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 2026 Bonds, maybe 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 tax 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 2026 Bonds.

Prospective purchasers of the Series 2026 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 2026 Bonds or, in the case of a financial institution, that portion of a holder's interest expense allocated to interest on the Series 2026 Bonds.

Original Issue Discount Bonds. As shown on the inside front cover of this Preliminary Official Statement, certain of the Series 2026 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 that is excluded from gross income for federal income tax purposes, as described above.

The amount of original issue discount that 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 that 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 that 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 of accrual period) and (ii) the amount that 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 that 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 that 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.

Premium Bonds. As shown on the inside front cover of this Preliminary Official Statement, certain of the Series 2026 Bonds are being sold at an original issue premium (collectively, the "Premium Bonds"). An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. An initial purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of a Premium Bond callable prior to its maturity, by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to the call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of a Premium Bond should consult with their tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Current or future legislative proposals, if enacted into law, may cause interest on the Series 2026 Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent holders of the Series 2026 Bonds from realizing the full current benefit of the tax status of such interest. Recent legislative proposals include provisions that would limit the amount of exclusions (including tax-exempt interest) and deductions available to certain high income taxpayers for taxable years after 2012. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. The introduction or enactment of any such legislative proposals may also affect the market price for, or marketability of, the Series 2026 Bonds. Prospective purchasers of the Series 2026 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 2026 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.

BONDHOLDERS' RISKS

General. The Series 2026 Bonds together with interest thereon are obligations solely of the City and are to be paid from a pledge of receipts of the Pledged Tax. The Series 2026 Bonds do not, directly or indirectly, obligate the State, Benton County, or any aspect or instrumentality of the State to levy any form of taxation therefor or to make any appropriations for their payment, and the Series 2026 Bonds do not and shall never constitute a charge against the general credit or taxing powers of Benton County or the State of Arkansas.

Tax Receipts will be contingent upon the sale and use of property and services within the City, which activity is generally dependent upon economic conditions within the City and surrounding trade area. Also, Tax Receipts may be affected by changes to transactions exempted from the Pledged Tax made by legislation adopted by the General Assembly of the State or by the people of the State in the form of a constitutional amendment. In the past the General Assembly of the State has considered new exemptions to the sales tax, such as food sales, which, if adopted, would materially reduce Tax Receipts. The City has no control over actions of the General Assembly or the people of the State and cannot predict whether changes to the Pledged Tax may be made. Accordingly, the City cannot predict with certainty the expected amount of Tax Receipts to be received and, therefore, there can be no assurance that Tax Receipts will be sufficient to pay the principal of and interest on the Series 2026 Bonds.

No guarantee can be given that Tax Receipts will be realized by the City in amounts sufficient to make payments under the Authorizing Ordinance, or to make other payments in amounts sufficient to pay principal of, premium, if any, and interest on the Series 2026 Bonds. Purchasers of the Series 2026 Bonds should bear in mind that the occurrence of any number of events, some of which are specified under **SECURITY FOR THE SERIES 2026 BONDS**, could adversely affect the ability of the City to produce its required level of revenues. Future economic and other conditions, economic developments in the service area and governmental regulation, may adversely affect Tax Receipts and consequently, the City's ability to make payments under the Authorizing Ordinance. The future financial condition of the City could also be adversely affected by, among other things, legislation, regulatory actions, demographic changes, changes in the local economy, claims and other litigation and a number of other conditions that are unpredictable, including the following risk factors. This discussion of risk factors is not, and is not intended to be, exhaustive.

The remedies available to the Trustee or the owners of the Series 2026 Bonds upon an event of default under the Authorizing Ordinance are in many respects dependent upon judicial actions that are often subject to discretion and delay. Upon existing constitutional and statutory law and judicial decisions, including specifically Title 9 of the United States Code (the federal bankruptcy code), the remedies provided in the Authorizing Ordinance may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds and the delivery of the Authorizing Ordinance will be qualified with respect to the enforceability of the various legal instruments by limitations imposed by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

If and when an owner of Bonds elects to sell a Bond prior to its maturity, there is no assurance that a market will have been established, maintained and in existence for the purchase and sale of the Series 2026 Bonds.

Enforceability of Remedies. Rights of the registered owners of the Series 2026 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 maybe 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 that are presently or may from time to time be in effect.

MISCELLANEOUS

Underwriting. Under a Bond Purchase Agreement (the “Agreement”) entered into by and between the City and Stephens Inc., as authorized representative for the Underwriter, the Series 2026 Bonds are being purchased at a price of \$ _____ (principal amount [less net original discount OR plus net premium] of \$ _____, less Underwriter’s discount of \$ _____). The Agreement provides that the Underwriter will purchase all of the Series 2026 Bonds if any are purchased. The obligation of the Underwriter to accept delivery of the Series 2026 Bonds is subject to various conditions contained in the Agreement, including the absence of pending or threatened litigation questioning the validity of the Series 2026 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 intend to offer the Series 2026 Bonds to the public initially at the offering prices set forth on the inside cover page of this Preliminary 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 2026 Bonds to the public. The Underwriter may offer and sell the Series 2026 Bonds to certain dealers (including dealers depositing Series 2026 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 2026 Bonds, including certain liabilities under federal securities laws.

No Rating. The Series 2026 Bonds are not rated. Neither the City nor the Underwriter undertakes any responsibility to obtain a credit rating for the Series 2026 Bonds. Additionally, due to the ongoing uncertainty regarding the debt of the United States of America, including without limitation, the general economic conditions in the country, and other political and economic developments that may affect the financial condition of the United States government, the United States debt limit, and the bond ratings of the United States and its instrumentalities, obligations issued by state and local governments, such as the Series 2026 Bonds, could be subject to a rating downgrade. Furthermore, if a significant default or other financial crisis should occur in the affairs of the United States or of any of its agencies or political subdivisions, then such event could also adversely affect the market for and ratings, liquidity, and market value of outstanding debt obligations, such as the Series 2026 Bonds. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2026 Bonds.

In addition, simultaneously with the issuance of the Series 2026 Bonds, Standard & Poor’s Rating Services, a Standard & Poor’s Financial Services LLC business (“S&P”) is expected to issue its insured rating of “AA” (stable outlook) based upon the issuance of the municipal bond insurance policy of AG. An explanation of the significance of such rating may be obtained from S&P. The rating reflects only the views of S&P. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant.

Information in Preliminary Official Statement. Any statements made in this Preliminary 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 Preliminary 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 2026 Bonds.

The information contained in this Preliminary 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 Preliminary Official Statement on behalf of the City has been authorized by the City.

CITY OF GENTRY, ARKANSAS

By /s/ Kevin Johnston
Mayor

Dated: As of the Cover Page hereof.

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EXHIBIT A
SUMMARY OF STATE SALES AND USE TAX PROVISIONS
FOR LOCAL GOVERNMENT

Local Sales Tax. The sales tax portion of the Tax is generally levied upon the gross proceeds and receipts derived from all sales to any person within the City of the following (list not exclusive):

- (a) (i) Tangible personal property;
- (ii) Specified digital products sold;
- (iii) Digital codes;
- (b) Natural or artificial gas, electricity, water, ice, steam, or any other tangible personal property sold as a utility or provided as a public service;
- (c) (i) Service of furnishing rooms, suites, condominiums, townhouses, rental houses or other accommodations by hotels, apartment hotels, lodging houses, tourist camps, tourist courts, property management companies, accommodations intermediaries, or any other provider of accommodations to transient guests;
- (ii) Service of cable television, community antenna television, and any and all other distribution of television, video, or radio services with or without the use of wires provided to subscribers, paying customers or users, including installation, service, rental, repair and other charges having any connection with the providing of the said services;
- (iii) Service of initial installation, alteration, addition, cleaning, refinishing, replacement and repair of motor vehicles, aircraft, farm machinery and implements, motors of all kinds, tires and batteries, boats, electrical appliances and devices, furniture, rugs, flooring, upholstery, household appliances, televisions and radios, jewelry, watches and clocks, engineering instruments, medical and surgical instruments, machinery of all kinds, bicycles, office machines and equipment, shoes, tin and sheet metal, mechanical tools and shop equipment; however, the tax does not apply to (A) the maintenance or repair of railroad parts, railroad cars and equipment brought into the City solely and exclusively for the purpose of being repaired, refurbished, modified, or converted within the City, (B) the service of alteration, addition, cleaning, refinishing, replacement or repair of commercial jet aircraft or commercial jet aircraft components or subcomponents, (C) the repair or remanufacture of industrial metal rollers or platens that have a remanufactured non-metallic material covering on all or a part of the roller or platen surface, (D) the initial installation, alteration, addition, cleaning, refinishing, replacement or repair of non-mechanical, passive or manually operated components of buildings or other improvements or structures affixed to real estate, (E) services performed on watches and clocks received by mail or common carrier from outside this state and which, after the service is performed, are returned by mail or common carrier or in the repairer's own conveyance to points outside this state, (F) services performed by a temporary or leased employee or other contract laborer on items owned or leased by the employer, or (G) service of initial installation of any property that is specifically exempted from the tax imposed by this chapter;
- (iv) Service of providing transportation or delivery of money, property or valuables by armored car; service of providing cleaning or janitorial work; service of pool cleaning and servicing; pager services; telephone answering services; lawn care and landscaping services; service of parking a motor vehicle or allowing a motor vehicle to be parked; service of storing a motor vehicle; service of storing furs; and the service of providing indoor tanning at a tanning salon;

(d) Printing of all kinds, types and characters, including the service of overprinting, and photography of all kinds;

(e) (i) Tickets or admissions to places of amusement, to athletic, entertainment, recreational events, or fees for access to or the use of amusement, entertainment, athletic or recreational facilities;

(ii) Membership dues paid to a hunting or fishing club that are paid to obtain access to land for the primary purpose of hunting or fishing are excluded from the tax imposed by this chapter;

(f) Dues and fees to health spas, health clubs and fitness clubs; dues and fees to private clubs which hold any permit from the Alcoholic Beverage Control Board allowing the sale, dispensing or serving of alcoholic beverages of any kind on the premises;

(g) Contracts, including service contracts, maintenance agreements, and extended warranties, which in whole or in part provide for future performance of or payment for services which are subject to gross receipts tax;

(h) Retail sale of any device used in playing bingo and any charge for admittance to facilities or for the right to play bingo or other games of chance;

(i) Prepaid calling service or prepaid wireless calling service and the recharge of such services;

(j) Beer, wine, liquor, or any intoxicating beverages;

(k) Tangible personal property, specified digital products, a digital code, and services sold to financial institutions;

(l) Wrecker and towing services;

(m) Collection and disposal of solid wastes;

(n) Cleaning of parking lots and gutters;

(o) Dry cleaning and laundry services;

(p) Industrial laundry services;

(q) Body piercing, tattooing, and electrolysis services;

(r) Pest control services;

(s) Security and alarm monitoring services;

(t) Boat storage and docking fees;

(u) Furnishing camping spaces or trailer spaces at public or privately-owned campgrounds, except for federal campgrounds, on less than a month-to-month basis;

- (v) Locksmith services;
- (w) Pet grooming and kennel services; and
- (x) Portable toilet lease or rental and services associated with the lease or rental of portable toilets.
- (y)
 - (i) Computer software, including prewritten computer software;
 - (ii) Service of repairing or maintaining computer equipment or hardware in any form;
 - (iii) However, gross receipts or gross proceeds derived from the sale of a computer software maintenance contract are not taxable;
- (z)
 - (i) Any intrastate, interstate, and international telecommunications service that is sourced in this state;
 - (ii) Any ancillary service; and
 - (iii) Any installation, maintenance, or repair service of telecommunication equipment;
- (aa) The sale of new or used heavy equipment;
- (bb) A fishing guide service provided as a part of a guided fishing trip if the fishing guide service is purchased in conjunction with the sale or lease of taxable tangible personal property by the person providing the fishing guide service;
- (cc) Withdrawals from stock; and
- (dd) Food and food ingredients.

Exemptions from Local Sales Tax. As summarized below, several types of transactions have been exempted from the sales tax portion of the Tax by the General Assembly of the State. Some of the current exemptions include the sale of:

- (a) New or used house trailers, mobile homes, aircraft, motor vehicles, trailers or semi-trailers and a used house trailer, mobile home, aircraft, motor vehicle, trailer or semi-trailer is taken as a credit or part payment of the purchase price, when the total consideration is less than the following: \$2,000 for aircraft, house trailers and mobile homes (or \$10,000 in case the house trailer or mobile home is a “manufactured home”); and \$4,000 for motor vehicles, trailers and semi-trailers;
- (b) Aircraft held for resale and used for rental or charter, whether by a business or an individual for a period not to exceed one year from the date of purchase of aircraft;
- (c) Tangible personal property, specified digital products, a digital code or services by churches, except when such organizations may be engaged in business for profit;

(d) Tangible personal property, specified digital products, a digital code or services by charitable organizations, except when such organizations may be engaged in business for profit;

(e) Food in public, common, high school or college cafeterias and lunchrooms operated primarily for teachers and pupils, and not operated primarily for the public or for profit;

(f) Newspapers;

(g) Property or services to the United States Government; motor vehicles and adaptive equipment to disabled veterans who have purchased said vehicles or equipment with financial assistance of the United States Department of Veterans Affairs; specified digital products, a digital code, tangible personal property to and leasing of cars used in promoting scouting or services to the Boy Scouts of America, the Girl Scouts of America or any of the Scout Councils in the State; tangible personal property, specified digital products, a digital code, or service to the Salvation Army, Heifer International, Inc., or Habitat for Humanity; tangible personal property, specified digital products, a digital code, or service to the Boys & Girls Club of America, to the Poets' Roundtable of Arkansas, to 4-H Clubs and FFA Clubs, to the Arkansas 4-H Foundation, the Arkansas FFA Foundation and the Arkansas Division of the Future Farmers of America;

(h) Gasoline or motor vehicle fuel on which the motor vehicle fuel or gasoline tax has been paid to the State, special fuel or petroleum products sold for consumption by vessels, barges and other commercial watercraft and railroads, dyed distillate special fuel on which a tax has been paid and biodiesel fuel;

(i) Property resales to persons regularly engaged in the business of reselling the articles purchased;

(j) Advertising space in newspapers and publications, billboard advertising services, or on a public transit bus;

(k) Gate admissions at State, district, county or township fairs or at any rodeo if the receipts derived from gate admissions to the rodeo are used exclusively for the improvement, maintenance and operation of such rodeo, and if no part of the net earnings thereof inures to the benefit of any private stockholder or individual;

(l) Property or services which the State is prohibited by the constitution or laws of the United States or by the constitution of the State from taxing or further taxing;

(m) Isolated sales not made by an established business;

(n) Cotton, seed cotton, lint cotton, baled cotton, whether compressed or not, or cotton seed in its original condition; seed for use in commercial production of an agricultural product or of seed; raw products from the farm, orchard or garden, where such sale is made by the producer of such raw products directly to the consumer and user; livestock, poultry, poultry products and dairy products of producers owning not more than five cows; and baby chickens;

(o) Foodstuffs to governmental agencies for free distribution to any public, penal and eleemosynary institutions or for free distribution to the poor and needy, and the rental or sale of medical equipment, for the benefit of persons enrolled in and eligible for Medicare or Medicaid programs;

(p) Tangible personal property, specified digital products, a digital code, or services provided to any hospital or sanitarium operated for charitable and nonprofit purposes or any nonprofit organization whose sole purpose is to provide temporary housing to the family members of patients in a hospital or sanitarium;

(q) Used tangible personal property when the used property was (1) traded in and accepted by the seller as part of the sale of other tangible personal property and (2) the Arkansas Gross Receipts Tax was collected and paid on the total amount of consideration for the sale of the other tangible personal property without any deduction or credit for the value of the used tangible personal property; provided, however, this exemption does not apply to transactions involving used automobiles or used aircraft;

(r) Unprocessed crude oil;

(s) Tangible personal property consisting of machinery and equipment used directly in producing, manufacturing, fabricating, assembling, processing, finishing or packaging of articles of commerce if the machinery and equipment is used to (i) create new manufacturing or processing plants or facilities in the State, (ii) expand existing manufacturing or processing plants or facilities in the State or (iii) replace existing machinery and equipment;

(t) Property consisting of machinery and equipment required by State or federal law or regulations to be installed and utilized by manufacturing or processing plants or facilities, cities or towns in the State to prevent or reduce air and/or water pollution or contamination;

(u) Electricity used in the manufacture of aluminum metal by the electrolytic reduction process and sale of articles sold on the premises of the veterans' homes;

(v) Automobile parts which constitute "core charges," which are received for the purpose of securing a trade-in for the article purchased;

(w) Bagging and other packaging and tie materials sold to and used by cotton gins for packaging and/or tying baled cotton and from the sale of twine which is used in the production of tomato crops;

(x) Prescription drugs by licensed pharmacists, hospitals, or physicians, and oxygen sold for human use on prescription of a licensed physician;

(y) Property or services to humane societies;

(z) Vessels, barges and towboats of at least fifty tons load displacement and parts and labor used in the repair and construction of the same;

(aa) Property or sales to all orphans' homes, or children's homes, which are not operated for profit and whether operated by a church, religious organization or other benevolent charitable association;

(bb) Agricultural fertilizer, agricultural limestone, agricultural chemicals, and water purchased from a public surface-water delivery project to reduce or replace water used for in-ground irrigation or reduce dependence on ground water for agriculture;

(cc) Sale of tickets or admissions, by municipalities and counties, to places of amusement, to athletic, entertainment, recreational events, or fees for the privilege of having access to or the

use of amusement, entertainment, athletic or recreational facilities, including free or complimentary passes, tickets, admissions, dues or fees;

(dd) New and used farm machinery and equipment;

(ee) New automobiles to a veteran of the United States Armed Services who is blind as a result of a service-connected injury;

(ff) Motor vehicles sold to municipalities, counties, school districts, and state supported colleges and universities;

(gg) School buses sold to school districts and, in certain cases, to other purchasers providing school bus service to school districts;

(hh) Catalysts, chemicals, reagents, and solutions which are consumed or used in producing, manufacturing, fabricating, processing, or finishing articles of commerce in the State and by manufacturing or processing plants or facilities prevent or reduce air or water pollution or contamination;

(ii) Feedstuffs used in the commercial production of livestock or poultry;

(jj) Modular homes constructed from materials on which the State sales tax has been paid;

(kk) The first 500 kilowatt hours of electricity per month and the total franchise tax billed to each residential customer whose household income is less than \$12,000 per year;

(ll) Electricity and natural gas to qualified steel manufacturers;

(mm) Tangible personal property lawfully purchased with food stamps, food coupons, food instruments or vouchers in connection with certain Federal programs;

(nn) Publications sold through regular subscriptions;

(oo) Tickets for admission to athletic events and interscholastic activities of public and private elementary and secondary schools in the State and tickets for admission to athletic events at public and private colleges and universities in the State;

(pp) Durable medical equipment, mobility enhancing equipment, a prosthetic device, and disposable medical supplies prescribed by a physician;

(qq) Insulin and test strips for testing blood sugar levels in humans;

(rr) Telephone instruments sent into the State for refurbishing or repair and then shipped back to the state of origin;

(ss) Industrial metal rollers sent into the State for repair or remanufacture and then shipped back to the state of origin;

(tt) New motor vehicles purchased by non-profit organizations and used for the performance of contracts with the Department of Human Services, and new motor vehicles purchased with Federal Transit Administration funds if (i) vehicles meet minimum State specifications and (ii) vehicles

are used for transportation under the Department of Human Services' programs for the aging, individuals with disabilities, individuals with mental illness, and children and family services;

(uu) Motor fuels to owners or operators of motor buses operated on designated streets according to regular schedule and under municipal franchise which are used for municipal transportation purposes;

(vv) Parts or other tangible personal property incorporated into or which become a part of commercial jet aircraft component or subcomponents;

(ww) Transfer of fill material by a business engaged in transporting or delivering fill material;

(xx) Long-term leases, thirty days or more, of commercial trucks used for interstate transportation of goods under certain conditions;

(yy) Foodstuffs to nonprofit agencies;

(zz) Tangible personal property consisting of forms constructed of plaster, cardboard, fiberglass, natural fibers, synthetic fibers or composites and which are destroyed or consumed during the manufacture of the item;

(aaa) Natural gas used as a fuel in the process of manufacturing glass; (bbb) Sales to Community Services Clearinghouse, Inc. of Fort Smith;

(ccc) Substitute fuel used in producing, manufacturing, fabrication, assembling, processing, finishing or packaging of articles at manufacturing facilities or processing plants in the State;

(ddd) Railroad rolling stock used in transporting persons or property in interstate commerce;

(eee) Parts or other tangible personal property which become a part of railroad parts, railroad cars and equipment brought into the State for the purpose of being repaired, refurbished, modified or converted within the State;

(fff) Fire protection and emergency equipment to be owned by and exclusively used by a volunteer fire department, and supplies and materials to be used in the construction and maintenance of volunteer fire departments;

(ggg) Gas produced from biomass and sold for the purpose of generating steam, hot air or electricity to be sold to the gas producer;

(hhh) Fuel packaging materials sold to a person engaged in the business of processing hazardous and non-hazardous waste materials into fuel products at an approved site and machinery and equipment, including analytical equipment and chemicals used directly in the processing and packaging of hazardous and non-hazardous waste materials into fuel products at an approved site;

(iii) Electricity and natural gas used in the manufacturing of wall and floor tile by approved manufacturers;

(jjj) Textbooks, library books, and instructional materials purchased by an Arkansas school district or the State for free distribution to Arkansas school districts or Arkansas public schools;

(kkk) Tangible personal property, specified digital products, a digital code, or services to the Arkansas Symphony Orchestra, Inc.;

(lll) Electricity used for the production of chlorine and other chemicals using a chlor-alkali manufacturing process;

(mmm) Tangible personal property, specified digital products, a digital code, or services to a qualified museum;

(nnn) Livestock reproduction equipment or substances;

(ooo) Natural gas and electricity used in the manufacturing of tires in the State;

(ppp) Thermal imaging equipment purchased by a county government for use by law enforcement aircraft;

(qqq) Tangible property, specified digital products, a digital code, or services to the Arkansas Search Dog Association, Inc.;

(rrr) Certain new or used trucks to be engaged in interstate commerce;

(sss) Tangible personal property, specified digital products, a digital code, or services to the Arkansas Black Hall of Fame Foundation;

(ttt) Sale, lease or rental of kegs used to sell beer wholesale by a wholesale manufacturer of beer;

(uuu) Repair parts and labor for pollution control machinery and equipment;

(xv) Sales by commercial farmers of certain baling twine, net wrap, silage wrap, and similar

(www) Sales of tangible personal property, specified digital products, a digital code, or a service to a nonprofit blood donation organization;

(xxx) Sales of utilities used by a qualifying agricultural structure and qualifying aquaculture and horticulture equipment;

(yyy) Sales of utilities used by a grain drying and storage facility;

(zzz) Dental appliances sold by or to dentists or certain other professionals;

(aaaa) Machinery, new and used equipment, and related attachments that are sold to or used by a person engaged primarily in the harvesting of timber;

(bbbb) Sales of tangible personal property at a concession stand operated by a nonprofit youth organization;

(cccc) (i) Tangible personal property, specified digital products, or a digital code by or to a car wash operator for use in an automatic car wash, a car wash tunnel, or a self-service bay or as part of an ancillary service; (ii) services to a car wash operator; (iii) ancillary services by a car wash operator; and (iv) a car wash operator through an automatic car wash, car wash tunnel, or self-service bay;

(dddd) Water that is used exclusively in the operation of a poultry farm;

(eeee) Sale of a washer-extractor to a fire department or intergovernmental council of a county;

(ffff) Coins or currency or bullion;

(gggg) Tangible personal property, specified digital products, a digital code, or a service to the Disabled American Veterans Organization;

(hhhh) (i) Data center equipment;

(ii) Eligible data center costs;

(iii) Services purchased for the purpose of and in conjunction with developing, acquiring, constructing, expanding, renovating, refurbishing, and operating a qualified data center; and

(iv) Electricity used by a qualified data center;

(iv) Sale of a service providing for electronic transmission of a drug prescription directly to a pharmacy; and

(jjjj) Sale of a new or used mortality composting device to a person engaged in the commercial production of livestock or poultry.

Reference is made to “The Arkansas Gross Receipts Act of 1941,” Title 26, Chapter 52 of the Arkansas Code of 1987 Annotated, for more information concerning the sales tax portion of the Tax.

Local Use Tax. The use tax portion of the Tax is levied on every person for the privilege of storing, using, distributing or consuming in the City any article of tangible personal property, specified digital products, a digital code, or a taxable service purchased for storage, use, distribution or consumption. The use tax portion of the Tax applies to the use, distribution, storage or consumption of every article of tangible personal property except as hereinafter provided. The use tax portion of the Tax does not apply to aircraft, aircraft equipment, and railroad parts, cars, and equipment, nor to tangible personal property owned or leased by aircraft, automotive or railroad companies brought into the City solely and exclusively for refurbishing, conversion, or modification within the City or storage for use outside or inside the City regardless of the length of time any such property is so stored in the City. The use tax portion of the Tax is levied on the following described tangible personal property:

(a) Tractors, trailers, semi-trailers, trucks, buses and other rolling stock, including replacement tires, used directly in the transportation of persons or property in intrastate or interstate common carrier transportations;

(b) Railroads (except fuel) consumed in the operation of railroad rolling stock;

(c) Transmission lines and pumping or pressure control equipment used directly in or connected to the primary pipeline facility engaged in intrastate or interstate common carrier transportation of property;

(d) Airplanes and navigation instruments used directly in or becoming a part of flight aircraft engaged in transportations of persons or property in regular scheduled intrastate or interstate common carrier transportation;

(e) Exchange equipment, lines, boards and all accessory devices used directly in and connected to the primary facility engaged in the transmission of messages;

(f) Transmission and distribution pipelines and pumping or pressure control equipment used in connection therewith used directly in primary pipeline facility for the purpose of transporting and delivering natural gas;

(g) Transmission and distribution lines, pumping machinery and controls used in connection therewith in cleaning or treating equipment of a primary water distribution system;

(h) Property of public electric power companies consisting of all machinery and equipment including reactor cores and related accessory devices used in the generation and production of electric power and energy and transmission facilities consisting of the lines, including poles, towers and other supporting structures, transmitting electric power and energy together with substations located on or attached to such lines;

(i) Computer software;

(j) Tangible personal property, specified digital products, a digital code, and services provided to a financial institution; and

(k) Food and food ingredients.

Exemptions from Local Use Tax. Some of the property exempted from the use tax portion of the Tax by the General Assembly of the State is as follows:

(a) Property, the storage, use or consumption of which the State is prohibited from taxing under the Constitution or laws of the United States of America or the State;

(b) Sales of tangible personal property, specified digital products, a digital code, or services on which the tax under the Arkansas Gross Receipts Act of 1941 is levied;

(c) Tangible personal property, specified digital products, a digital code, or services which is exempted from the sales tax under the Arkansas Gross Receipts Act of 1941;

(d) Feedstuffs used in the commercial production of livestock or poultry in the State;

(e) Unprocessed crude oil;

(f) Machinery and equipment used directly in producing, manufacturing, fabricating, assembling, processing, finishing or packaging of articles of commerce at manufacturing or processing plants or facilities in the State, including facilities and plants for manufacturing feed, processing of

poultry and/or eggs and livestock and the hatching of poultry and such equipment is either (1) purchased to create or expand manufacturing or processing plants in the State, (2) purchased to replace existing machinery and used directly in producing, manufacturing, fabricating, assembling, processing, finishing or packaging of articles of commerce at manufacturing or processing plants in the State, or (3) required by State law to be installed and utilized by manufacturing or processing plants to prevent or reduce air and/or water pollution or contamination;

(g) Modular homes constructed with materials on which the sales or use tax has once been paid;

(h) Aircraft, aircraft equipment, railroad parts, cars, and equipment, and tangible personal property owned or leased by aircraft, airmotive, or railroad companies, brought into the State solely and exclusively for refurbishing, conversion, or modification or for storage for use outside or inside the State;

(i) Vessels, barges, and towboats of at least 50 tons load displacement and parts and labor used in the repair and construction of them;

(j) Sales of motor fuels to the owners or operators of motor buses operated on designated streets according to regular schedule, under municipal franchise, which are used for municipal transportation purposes;

(k) Agricultural fertilizer, agricultural limestone, agricultural chemicals, including agricultural pesticides and herbicides used in commercial production of agricultural products, and vaccines, medications, and medicinal preparations, used in treating livestock and poultry being grown for commercial purposes and other ingredients used in the commercial production of yeast;

(l) All new and used motor vehicles, trailers or semi-trailers that are purchased for a total consideration of less than \$4,000;

(m) Any tangible personal property used, consumed, distributed, or stored in the State upon which a like tax, equal to or greater than the Arkansas Compensating (Use) Tax, has been paid in another state;

(n) Durable medical equipment, mobility enhancing equipment, a prosthetic device, and prescriptive disposable medical supplies prescribed by a physician;

(o) Fire protection and emergency equipment to be owned by and exclusively used by a volunteer fire department, and supplies and materials to be used in the construction and maintenance of volunteer fire departments;

(p) Electricity and natural gas used in the manufacturing of wall and floor tile by approved manufacturers;

(q) Tangible personal property consisting of forms constructed of plaster, cardboard, fiberglass, natural fibers, synthetic fibers or composites and which are destroyed or consumed during the manufacture of the item;

(r) Natural gas used as a fuel in the process of manufacturing glass;

- (s) Sales to Community Services Clearinghouse Inc. of Fort Smith;
- (t) Prepaid telephone calling cards or prepaid authorization numbers and the recharge of such cards or numbers;
- (u) Foodstuffs to nonprofit agencies;
- (v) Tangible personal property, specified digital products, a digital code or services for a qualified museum;
- (w) Certain new or used trucks to be engaged in interstate;
- (x) Railroad rolling stock manufactured for use in transporting persons or property in interstate commerce;
- (y) Sales of tangible personal property or a service to a nonprofit blood donation organization;
- (z) Sales of utilities used by a qualifying agricultural structure and qualifying aquaculture and horticulture equipment;
 - (aa) Sales of utilities used by grain drying and storage facilities;
 - (bb) Dental appliances sold by or to dentists or certain other professionals;
 - (cc) Coins or currency or bullion;
 - (dd)
 - (i) Data center equipment;
 - (ii) Eligible data center costs;
 - (iii) Services purchased for the purpose of and in conjunction with developing, acquiring, constructing, expanding, renovating, refurbishing, and operating a qualified data center; and
 - (iv) Electricity used for a qualified data center; and
 - (ee) Sale of a new or used mortality composting device to a person engaged in the commercial production of livestock or poultry.

Reference is made to “The Arkansas Compensating (Use) Tax Act of 1949,” Title 26, Chapter 53 of the Arkansas Code of 1987 Annotated, for more information concerning the use tax portion of the Tax.

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EXHIBIT B

FORM OF BOND COUNSEL OPINION

Regions Bank, as Trustee
Little Rock, Arkansas

Stephens Inc.
Little Rock, Arkansas

City of Gentry, Arkansas
Gentry, Arkansas

RE: \$ _____ City of Gentry, Arkansas Sales and Use Tax Revenue Improvement
 Bonds, Series 2026

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the City of Gentry, Arkansas (the “**City**”) of its \$ _____ Sales and Use Tax Revenue Improvement Bonds, Series 2026, dated _____, 2026 (the “**Bonds**”).

The Bonds are issued pursuant to the provisions of the Constitution and laws of the State of Arkansas, including, particularly, Amendment No. 62 to the Constitution of the State of Arkansas (“**Amendment 62**”) and each of Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of 1987 Annotated and Title 26, Chapter 75, Subchapter 2 of the Arkansas Code of 1987 Annotated (together, the “**Authorizing Legislation**”), pursuant to Ordinance No. 26-____ of the City, duly adopted and approved on _____, 2026 (the “**Authorizing Ordinance**”), and pursuant to a Trust Indenture dated as of December 12, 2019, as supplemented and amended by a First Supplemental Trust Indenture dated as of _____, 2026 (together, the “**Indenture**”), by and between the City and Regions Bank, Little Rock, Arkansas, as trustee (the “**Trustee**”). Reference is hereby made to the Indenture and to all indentures supplemental thereto for the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Trustee and the Holders of the Bonds, and the terms upon which the Bonds are issued and secured. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture.

Reference is made to an opinion of even date herewith of Joel Kurtz, City Attorney, a copy of which is on file with the Trustee, with respect, among other matters, to the status and valid existence of the City, the power of the City to adopt the Authorizing Ordinance and to enter into and perform its obligations under the Indenture, the valid adoption of the Authorizing Ordinance, and the due authorization, execution and delivery of the Indenture by the City, and with respect to the Indenture being enforceable upon the City.

We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the representations of the City contained in the Tax Election Ordinance, the Pledge Election Ordinance, the Authorizing Ordinance, and the Indenture and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Bonds have been lawfully authorized and issued under the Constitution and the laws of the State of Arkansas now in force, including particularly Amendment 62 and the Authorizing Legislation, and are valid and binding obligations of the City enforceable in accordance with their terms.

2. The Bonds are not general obligations of the City, but are special obligations payable from and secured by a pledge of the collections of the Pledged Tax duly levied by the City under the authority of Authorizing Legislation, the Tax Election Ordinance, and the Pledge Election Ordinance on a parity of security with the City's Sales and Use Tax Revenue Improvement Bonds, Series 2019. The Bonds are not secured by any lien on or security interest in any physical properties of the City.

3. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals; provided, however, such interest may be taken into account for the purpose of computing the federal alternative minimum tax on certain corporations. The opinion described in the preceding sentence assumes the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The City has covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. The interest on the Bonds is exempt from all state, county and municipal taxes in the State of Arkansas.

It is to be understood that the rights of the registered owners of the Bonds and the enforceability the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Sincerely yours,

MITCHELL, WILLIAMS, SELIG, GATES &
WOODYARD, P.L.L.C.

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EXHIBIT C
FORM OF CONTINUING DISCLOSURE AGREEMENT

Attached.

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated _____, 2026 (this “**Disclosure Agreement**”), is executed and delivered by the **CITY OF GENTRY, ARKANSAS** (the “**City**”) and **REGIONS BANK**, Little Rock, Arkansas, as trustee (the “**Dissemination Agent**”) in connection with the issuance of the City’s \$ _____ Sales and Use Tax Revenue Improvement Bonds, Series 2026 (the “**Bonds**”). The Bonds are being issued pursuant to the terms of a Trust Indenture dated as of December 12, 2019, as supplemented and amended by a First Supplemental Trust Indenture dated _____, 2026 (the “**Indenture**”), by and between the City and Regions Bank, Little Rock, Arkansas, as trustee (the “**Trustee**”). The City and the Dissemination Agent hereby covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the City and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist each Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “**Commission**”). Notwithstanding any other provision of this Disclosure Agreement, it is the intent of the Participating Underwriter and the City that the Rule (as defined below) controls the obligations of the parties with respect to the matters addressed herein. In the event of any conflict between the Rule and this Disclosure Agreement, this Disclosure Agreement shall be interpreted and/or modified in writing, as appropriate, so that it complies with and is consistent with the Rule.

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

“**Annual Report**” shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“**Beneficial Owner**” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Disclosure Representative**” shall mean the Financial Director of the City or his or her designee, or such other officer or employee as the City shall designate in writing to the Dissemination Agent from time to time.

“**Dissemination Agent**” shall mean **REGIONS BANK**, Little Rock, Arkansas, and any successor entity designated by the City to act as the Dissemination Agent hereunder.

“**EMMA**” means the MSRB’s Electronic Municipal Market Access System. Reference is made to Commission Release No. 34-59062, December 8, 2008 (the “**Release**”) relating to the EMMA system for municipal securities disclosure effective on July 1, 2009.

“**Financial Obligation**” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“**Listed Event**” shall mean any of the events listed in Exhibit C to this Disclosure Agreement with respect to the Bonds.

“**Listed Event Notice**” means notice of a Listed Event in Prescribed Form.

“**MSRB**” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

“**Official Statement**” means the “final official statement,” as defined in the paragraph (f)(3) of the Rule, relating to the Bonds. The final official statement related to the Bonds is dated _____, 2026.

“**Participating Underwriter**” shall mean Stephens Inc., the original underwriter of the Bonds, which is required to comply with primary offering of the Bonds.

“**Pledged Tax**” means the net collections of one-half cent of seven-eighths of one percent (0.875%) citywide local sales and use tax approved initially by the electors of the City at an election held on November 6, 2018 pursuant to Ordinance No. 18-782 of the City adopted on August 6, 2018.

“**Prescribed Form**” means, with regard to the filing of Annual Report and notices of Listed Events with the MSRB at www.emma.msrb.org (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“**Rule**” means Rule 15c2-12 promulgated by the Commission under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretations thereof.

“**State**” shall mean the State of Arkansas.

“**Trustee**” shall mean **REGIONS BANK**, Little Rock, Arkansas, as trustee under the Indenture, and any successor thereto.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than 240 days after the end of the City’s fiscal year (presently December 31), commencing with the report for the fiscal year ended December 31, 2025, provide to the MSRB through EMMA at www.msrb.org, or such similar system acceptable to the Commission, in Prescribed Form (with a

copy to the Trustee) the Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement. Not later than 15 days prior to said date, the City shall provide its Annual Report to the Dissemination Agent. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5 of this Disclosure Agreement.

(b) Each Annual Report shall be in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB. Each Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Agreement; provided that the audited financial statements 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 shall be submitted within 60 days of becoming available.

(c) If by 15 days prior to the date specified in subsection 3(a) for providing the Annual Report to the MSRB, the Dissemination Agent shall contact the Disclosure Representative to determine if the City is in compliance with subsection 3(a).

(d) If the Dissemination Agent is unable to verify that the Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent shall send a notice to the MSRB in substantially the form attached as Exhibit A.

Section 4. Content of Annual Reports. The Annual Report shall contain or include by reference the following:

(a) The statistical information identified in Part I of the Annual Disclosure Statement attached hereto as Exhibit B, including but not limited to collections and receipts of the Pledged Tax for the latest year for which available and up to the four previous years (as available); *provided*, however, if the referenced statistical information is not readily available or ascertainable, and the City determines that it is not material with respect to the collateral securing the Bonds, then such statistical information may be excluded from the Annual Report upon compliance with the procedures for amendment set forth in Section 9 hereof.

(b) The audited financial statements of the City for the prior fiscal year, prepared using accounting practices prescribed by Arkansas Code Annotated Section 10-4-412 as it may be amended from time to time, or any successor statute, and audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Any or all of the items listed above may be included by specific reference to 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 internet website or filed with the Commission.

If the document included by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify each such other document so included by reference.

Section 5. Disclosure of Listed Events. The City hereby covenants that it will disseminate, or cause to be provided to the Dissemination Agent, 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 captioned “Notice of Listed Event” and 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 Exhibit C, the Dissemination Agent shall make the filing and notice thereof need not be given under this subsection any earlier than the notice for the underlying event is given to registered owners of affected Bonds pursuant to the terms of the Authorizing Ordinance.

Section 6. Duty To Update EMMA/MSRB. The City shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB’s e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

Section 7. Termination of Reporting Obligation. The City’s obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, respectively. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event Notice under Section 5.

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this 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 this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, then the Trustee shall be the Dissemination Agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the City may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, change in interpretation of the Rule or change in the identity, nature or status of an obligated person with respect to the 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 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 Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this 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 Notice under Section 5, 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.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or Listed Event Notice, in addition to that which is required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report or Listed Event Notice in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or Listed Event Notice.

Section 11. Default.

(a) In the event of a failure of the City to comply with any provision of this Disclosure Agreement, the Dissemination Agent, the City, or any Beneficial Owner may (and the Dissemination Agent, at the request of the Participating Underwriter or the Beneficial Owners of at least 25% aggregate principal amount of outstanding 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 Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement.

(b) Notwithstanding the provisions of subsection 11(a), no Beneficial Owner shall have any right to take any action to challenge the adequacy of the information provided in accordance with this Disclosure Agreement unless the Beneficial Owners of at least 25% aggregate principal amount of outstanding Bonds shall have made written request to the Dissemination Agent to take such action in its own name and shall have offered the Dissemination Agent reasonable indemnity, and the Dissemination Agent for 60 days after receipt of notice, request and offer of indemnity has failed to institute any such action.

(c) A default under this Disclosure Agreement shall not be deemed an event of default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the City agrees to indemnify and save the Dissemination Agent and its officers, directors, employees, and agents, harmless against any loss, expense, and liabilities that 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 negligence or willful misconduct. In the event that a claim is raised under this Section 12, the Dissemination Agent retains the right to select the attorney or attorneys that will provide services, provided that such attorney(s) shall have offices located in the State of Arkansas and shall be subject to the approval of the City, which shall not be unreasonably withheld. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the City, the Trustee, the Dissemination Agent, each Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 14. Recordkeeping. The City shall maintain records of all filings of Annual Reports and Listed Event Notices, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

Section 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 16. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the City: City of Gentry, Arkansas
101 West Main
Gentry, Arkansas 72734
Attention: Mayor
Telephone: (479) 736-2555

To the Dissemination Agent: Regions Bank
400 West Capitol Ave., 2nd Floor
Little Rock, Arkansas 72201
Attn: Corporate Trust
Telephone: (501) 371-7246

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

[Signatures on next page]

IN WITNESS WHEREOF, the City and the Dissemination Agent have executed this Continuing Disclosure Agreement to be executed as of the date set forth above.

CITY:

THE CITY OF GENTRY, ARKANSAS

By:

Kevin Johnston, Mayor

ATTEST:

By:

Emily Blackmon, City Clerk

IN WITNESS WHEREOF, the City and the Dissemination Agent have executed this Continuing Disclosure Agreement to be executed as of the date set forth above.

DISSEMINATION AGENT:

REGIONS BANK

By: _____
Name: _____
Title: _____

EXHIBIT A

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE
TO FILE ANNUAL REPORT**

Name of Issuer: City of Gentry, Arkansas

Name of Bond Issues: \$_____ City of Gentry, Arkansas Sales and Use Tax
Revenue Improvement Bonds, Series 2026

Date of Issuance: _____, 2026

NOTICE IS HEREBY GIVEN that the City of Gentry, Arkansas (the “**Issuer**”) has not provided [an Annual Report] [audited financial statements] with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated _____, 2026 between the Issuer and Regions Bank, as Dissemination Agent. The Issuer anticipates that the [Annual report] [audited financial statements] will be filed by _____, 20__.

Dated _____, 20__.

REGIONS BANK, as Dissemination Agent

By: _____

cc: City of Gentry, Arkansas
101 W. Main
Gentry, Arkansas 72734
Attention: Mayor

EXHIBIT B

**City of Gentry, Arkansas
101 W. Main Street
Gentry, Arkansas 72734
Phone: (479) 736-2555
Fax: (479) 736-2877**

Annual Report
regarding

\$ _____
City of Gentry, Arkansas
Sales and Use Tax Revenue Improvement Bonds
Series 2026
Dated _____, 2026

For further information, contact:

Mayor
City of Gentry, Arkansas
Phone: (479) 736-2555
Fax: (479) 736-2877

_____, 20__

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Part I

1. Net Collections of Pledged Tax

The City has collected a seven-eighths of one percent (0.875%) citywide local sales and use tax approved by voters at the November 6, 2018 election since April 1, 2019, which collections were distributed to and received by the City in arrears (net of 3% retainage) beginning June 25, 2019 (the “Existing Sales Tax”), and pursuant to the election on September 10, 2019, voters approved a pledge of one-half cent of the Existing Sales Tax (the “Pledged Tax”).

To the extent available, receipts of the Pledged Tax for each of the last five years ended December 31 (net of the 3% retainage) are as follows:

<u>Year ended</u> <u>December 31</u>	<u>Pledged Tax Receipts</u> <u>(0.5% Pledged Tax)</u>
20	\$
20	\$
20	\$
20	\$
20	\$

Part II

2. Audited Financial Statements of the City for the Fiscal Year Ended December 31, 20__

The City’s audited financial statements for the fiscal year ended December 31, 20[] were previously filed on the EMMA system.

Part III

[if audit is not available on report date]

3. Audited Financial Statements of the City for the Fiscal Year Ended December 31, 20 _

The City’s audited financial statements for the fiscal year ended December 31, 20[] are not available at the time of the required filing of this report. The audited financial statements for such period will be filed with the MSRB after becoming available, as permitted by the Continuing Disclosure Agreement, dated _____, 2026, between the City and Regions Bank, Little Rock, Arkansas, as Dissemination Agent. The City anticipates that such audited financial statements will become available in or around [], 20[].

Part IV

4. Certificate

The undersigned, duly authorized to act on behalf of the City, hereby certifies that the matters set forth herein are true and correct, to the best of his knowledge and belief, as of the date set forth on the cover hereof.

CITY OF GENTRY, ARKANSAS

By: /s/ _____
Mayor

Distribution:
Regions Bank, Dissemination Agent
Municipal Securities Rulemaking Board

EXHIBIT C

EVENTS WITH RESPECT TO THE BONDS FOR WHICH LISTED EVENT NOTICES ARE REQUIRED

1. Principal and interest payment delinquencies.
2. Nonpayment-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 status of the security.
7. Modifications to rights of security holders, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
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 City¹.
13. The consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an 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 paying agent or the change of name of a paying agent, if material.
15. Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect the security holders, if material².

¹ This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

² The City intends to comply with Listed Events numbered 15 and 16 above, and the definition of “Financial Obligation”, with

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties².

reference to the Rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange Commission in Release No. 34-83885, dated August 20, 2018 (the “**2018 Release**”), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

EXHIBIT D
SPECIMEN BOND INSURANCE POLICY

Attached.



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)