RESOLUTION OF BOARD OF DIRECTORS
OF HOT SPRINGS VILLAGE PROPERTY OWNERS ASSOCIATION

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE ISSUANCE OF REVENUE BONDS BY THE GARLAND COUNTY, ARKANSAS WATERWORKS AND SEWER FACILITIES BOARD (HOT SPRINGS VILLAGE); AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the Board of Directors of the Hot Springs Village Property Owners Association (the "POA Board") has determined that there is a need for various improvements to the sewer facilities which serve Hot Springs Village (the "Improvements"); and

WHEREAS, certain improvements to the sewer facilities which serve Hot Springs Village have heretofore been financed and refinanced by the issuance of revenue bonds by the Garland County, Arkansas Waterworks and Sewer Facilities Board (Hot Springs Village) (the "Issuer"), including the Issuer's Revenue Refunding Bonds, Series 2009A (the "2009A Bonds"), which are now outstanding; and

WHEREAS, the POA Board has determined that the 2009A Bonds should be refunded; and

WHEREAS, all or a portion of the costs of the refunding of the 2009A Bonds can be financed with the proceeds of the Issuer's Revenue Bonds, Refunding Series 2016A in the principal amount of $1,350,000 (the "2016A Bonds"); and;

WHEREAS, all or a portion of the costs of the Improvements can be financed with proceeds of the Issuer's Revenue Bonds, Improvement Series 2016B in the principal amount of $2,045,000 (the "2016B Bonds"); and

WHEREAS, the Issuer and the POA Board have received an offer for the purchase of the 2016A Bonds and the 2016B Bonds (collectively, the "Bonds") from First Security Bank (the "Purchaser") pursuant to a Letter of Offer and Representation (the "Offer"), which has been presented to and is before this meeting; and

WHEREAS, the Bonds will be issued under and secured by a Trust Indenture, between First Security Bank, Searcy, Arkansas and the Issuer (the "Indenture"); and

WHEREAS, the Bonds will be special obligations of the Issuer, secured by a pledge of collections of the assessments against properties located in Hot Springs Village (the "Assessments"); and
WHEREAS, in order to secure the Bonds, the Hot Springs Village Property Owners Association (the "Association"), pursuant to an Assignment (the "Assignment"), will assign and pledge all rights, title and interest in and to the Assessments to the Issuer;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Hot Springs Village Property Owners Association:

Section 1. The Offer is hereby approved and accepted and the issuance and sale of the Bonds by the Issuer to the Purchaser is hereby authorized and approved. The President of the POA Board is authorized to execute and accept the Offer.

Section 2. The 2016A Bonds shall mature on November 1, 2021 and shall bear interest at the rate of 3% per annum. The 2016B Bonds shall mature on November 1, 2027 and shall bear interest at the rate of 3% per annum.

Section 3. The President or Vice President and Secretary of the POA Board are hereby authorized and directed to execute the Assignment. The Assignment is hereby approved in substantially the form submitted at this meeting, and the President or Vice President and Secretary are hereby authorized to confer with the Issuer in order to complete the Assignment with such modifications as shall be approved by the President or Vice President and Secretary, their execution to constitute conclusive evidence of such approval.

Section 4. The President or Vice President of the POA Board is hereby authorized and directed to approve the Indenture. The Indenture is hereby approved in substantially the form submitted at this meeting, and the President or Vice President is hereby authorized to confer with the Issuer, the Purchaser and the Trustee in order to complete the Indenture with such modifications as shall be approved by the President or Vice President, such execution to constitute conclusive evidence of such approval.

Section 5. The President, the Vice President and the Secretary of the POA Board and the Chief Operating Officer and the Chief Financial Officer of the Association are authorized to execute and deliver such documents and writings and to take such action as may be necessary or appropriate to the exercise or implementation of the powers and duties conferred hereby, or the purposes hereof, or to evidence the existence or exercise thereof. Without limiting the generality of the foregoing, the President, the Vice President, the Secretary, the Chief Operating Officer and the Chief Financial Officer are authorized to cooperate and assist, on behalf of the Association, in the sale and issuance of the Bonds.

Section 6. The President of the POA Board and the Chief Operating Officer and the Chief Financial Officer of the Association are hereby authorized and directed to work with Friday, Eldredge & Clark, LLP, as Bond Counsel, and the Issuer to develop, adopt and implement written procedures to assist the Association in monitoring compliance with federal tax requirements with respect to tax-exempt obligations issued by the Issuer. It is understood that the policies to be adopted and established by such written procedures will be adopted and established by the Association on behalf of the Issuer for tax-exempt obligations issued by the Issuer.
Section 7. All resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. This Resolution shall be in effect upon its adoption and approval.

ADOPTED this 20th day of April, 2016.

HOT SPRINGS VILLAGE PROPERTY OWNERS ASSOCIATION

ATTEST:

By: ____________________________
President

By: ____________________________
Secretary
CERTIFICATE

The undersigned, Secretary of the Board of Directors of Hot Springs Village Property Owners Association, hereby certifies that the foregoing pages, are a true and compared copy of a Resolution passed by the Board at a meeting of the Board held at its regular meeting place at _____ o'clock __.m., on the 20th day of April, 2016.

GIVEN under my hand this 20th day of April, 2016.

____________________________________
Secretary