ORDINANCE NO. _____

AN ORDINANCE TO AUTHORIZE A NINTH AMENDMENT TO LEASE AGREEMENT; THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS TO FINANCE CERTAIN INDUSTRIAL FACILITIES; TO AUTHORIZE THE LEASING OF SUCH FACILITIES TO WELSPUN TUBULAR LLC; TO AUTHORIZE A TRUST INDENTURE SECURING THE BONDS; AND AUTHORIZING AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City of Little Rock, Arkansas (the "City") is authorized under the provisions of the Municipalities and Counties Industrial Development Revenue Bond Law, as amended, Arkansas Code Annotated, §§ 14-164-201 to -224, inclusive, (the "Act"), to issue industrial development revenue bonds and to expend the proceeds thereof to finance buildings or facilities which can be used in securing and developing industry; and

WHEREAS, the City and Welspun Tubular LLC (the "Company") are parties to a Lease Agreement dated as of August 1, 2007, as previously amended by the First Amendment through the Eighth Amendment to Lease Agreement (collectively, the "Prior Lease Agreement"), under which the City leased to the Company a steel pipe manufacturing project located at 9301 Frazier Pike, Little Rock, Arkansas, financed with the City's Taxable Industrial Development Revenue Bonds (Welspun Tubular LLC Project), Series 2007-A, Series 2007-B, Series 2007-C, Series 2008-A, and Series 2010-A, and its Taxable Industrial Development Refunding Revenue Bonds (Welspun Tubular LLC Project), Series 2012-D (HSAW), Series 2015, and Series 2017 HSAW (collectively, the "Prior Bonds"), all of which have been paid in full and are no longer outstanding; and pursuant to Section 8.4(a) of the Prior Lease Agreement the parties desire to amend the Prior Lease Agreement with a Ninth Amendment to Lease Agreement, (the "Ninth Amendment") pursuant to which the parties to the will release from the Prior Lease Agreement two tracts of land consisting of approximately 157.09 acres and 47.26 acres, respectively, (the "Released Land") and the City and the Company have agreed to include the Released Land in a new industrial project for the manufacture of steel pipes (the "Project") to be leased to the Company and financed with a new issue of industrial development revenue bonds under the Act described herein; and

WHEREAS, permanent financing of the Project costs, necessary costs and expenditures incidental thereto, and the cost of the issuance of bonds is being furnished by the City pursuant to the Act through the issuance of its Taxable Industrial Development Revenue Bonds (Welspun Tubular LLC Project), in the

principal amount of not to exceed Three Hundred Seventy-Five Million Dollars ($375,000,000) (the "Bonds") and in connection therewith to enter into a Trust Indenture ("Indenture"), between the City and a financial institution mutually acceptable to the City and the Company, as Trustee (the "Trustee") to secure the Bonds; and

WHEREAS, the Project will be owned by the City and leased to the Company, pursuant to the provisions of a Lease Agreement (the "Lease Agreement") between the City and the Company; and

WHEREAS, the Company will enter into an Agreement for Payments in Lieu of Taxes (the "PILOT Agreement") and an Agreement to Issue Bonds (the "Agreement to Issue Bonds") with the City as hereinafter provided; and

WHEREAS, an open public hearing on the question of the issuance of the Bonds was held before the City Board of Directors on December 1, 2026, following publication of notice in the *Arkansas Democrat Gazette* on November 15, 2026; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. The Board hereby finds that the accomplishment of the Project, and the issuance of the Bonds to finance the same, will provide and secure substantial employment and payrolls and will thereby secure and develop industry within and near the City.

Section 2. The Ninth Amendment is hereby approved in substantially the form submitted to this meeting and the Mayor and City Clerk are authorized to execute acknowledge and deliver the Ninth Amendment for and on behalf of the City.

Section 3. There is hereby authorized and directed the issuance from time to time of the Bonds in the aggregate principal amount of $375,000,000, or such lesser amount as shall be requested by the Company, is hereby authorized. The Bonds shall be designated "City of Little Rock, Arkansas Taxable Industrial Development Revenue Bonds (Welspun Tubular LLC Project)" with a series designation reflecting the year in which the Bonds are initially delivered. The Bonds shall be dated as of the date of their delivery, shall mature not later than thirty (30) years after their dated date, shall bear interest at the rate of 5.00% per annum, shall be in the form, and shall be issued upon the terms and conditions recommended by the Company, all as more particularly set forth in the Trust Indenture approved in Section 4 hereof. The Mayor is hereby authorized and directed to execute and deliver the Bonds from time to time as requested by the Company, and the City Clerk is hereby authorized and directed to execute and deliver the Bonds and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Bonds to be authenticated by the Trustee.

The Bonds shall bear interest at the rate of five percent (5%) per annum, payable as set forth in the Indenture, and shall mature not later than thirty (30) years after their dated date, which terms are recommended by the Company.

Section 4. There is hereby authorized the sale of the Bonds from time to time to an affiliate of the Company (the "Purchaser") pursuant to the terms and provisions of which Bond Purchase Agreement is specifically approved. The Bonds shall be sold at the purchase price of par plus accrued interest, if any, and shall be issued and delivered according to the terms and provisions of the Bond Purchase Agreement. The Mayor is hereby authorized and directed to execute and deliver the Bonds from time to time as requested by the Company, and the City Clerk is hereby authorized and directed to execute and deliver the Bonds and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Bonds to be authenticated by the Trustee.

Section 5. To prescribe the terms and conditions upon which the Bonds are to be sold to the Purchaser, the Mayor is hereby authorized and directed to execute at the request of the Company the Bond Purchase Agreement on behalf of the City, by and between the City and the Purchaser, and approved by the Company. The Bond Purchase Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Purchaser, the Company and Rose Law Firm, a Professional Association, Little Rock, Arkansas ("Bond Counsel"), in order to complete the Bond Purchase Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Bond Purchase Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 6. To prescribe the terms and conditions upon which the Bonds are to be secured, executed, authenticated, issued, accepted, and held, the Mayor and the City Clerk are hereby authorized and directed to execute, acknowledge and deliver the Trust Indenture, by and between the City and the Trustee, and the Mayor and City Clerk are hereby authorized and directed to cause the Trust Indenture to be accepted, executed and acknowledged by the Trustee. The Trust Indenture is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Trustee, the Company, the Purchaser and Bond Counsel in order to complete the Trust Indenture in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Trust Indenture in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 7. There is hereby authorized and directed the execution and delivery of the Lease Agreement by and between the City, as lessor, and the Company, as lessee, and the Mayor and the City Clerk are hereby authorized to execute, acknowledge, and deliver the Lease Agreement for and on behalf of the City. The Lease Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Company, the Trustee, the Purchaser and Bond Counsel in order to complete the Lease Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Lease Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 8. There is hereby approved the Agreement to Issue Bonds, presented at this meeting expressing the intent of the City and the Company to cooperate in causing to be commenced the acquisition, construction and equipping of the Project and to commence and continue expeditiously pending the issuance of the Bonds. The Mayor is hereby authorized and directed to execute, and deliver the Agreement to Issue Bonds for and on behalf of the City.

Section 9. The City and the Company recognize that under Article 16, Section 5, of the Constitution of the State of Arkansas, as interpreted under past decisions of the Supreme Court of the State of Arkansas applicable to facilities financed pursuant to the Act, including particularly the case of Wayland v. Snapp, 232 Ark. 57, 334 S.W.2d 663 (1960), the Project will be exempt from ad valorem taxation. Although the City makes no representation as to the continued precedential value of such past decisions, the Company has agreed to enter into an Agreement for Payments in Lieu of Taxes to be dated as of the date of its execution (the "PILOT Agreement") requiring the Company to make certain payments in lieu of all ad valorem taxes which would otherwise be levied on the Project real and personal property by local public bodies with taxing power. In order to provide for such payments, there is hereby authorized and directed the execution and delivery of the PILOT Agreement, and the Mayor is hereby authorized to execute and deliver the PILOT Agreement for and on behalf of the City. The PILOT Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Company and Bond Counsel in order to complete the PILOT Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the PILOT Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 10. The Mayor, the City Manager, and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Agreement to Issue Bonds, the Bonds, the Bond Purchase Agreement, the Trust Indenture, the Lease Agreement and the PILOT Agreement, and to perform all of the City's obligations under and pursuant thereto. The Mayor, the City Manager, and the City Clerk are hereby further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates, and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 12. Because the City is here involved with the acquisition and equipping of a complex industrial project requiring highly specialized work and specialized types of machinery and equipment, it has been and is hereby determined by the Board of Directors that competitive bidding be, and the same is hereby, waived as to this particular industrial project. This action is taken by the City pursuant to applicable laws of the State of Arkansas, including, particularly the Act.

Section 13. Rose Law Firm, a Professional Association, Little Rock, Arkansas, is hereby appointed as Bond Counsel with respect to the issuance of the Bonds, the fees and expenses of which firm shall be costs of the Project and paid from the proceeds of the Bonds or by the Company.

Section 14. *Severability*. In the event any title, section, paragraph, item sentence, clause phrase or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional were not originally a part of the ordinance.

Section 15. *Repealer*. All laws, ordinances, resolutions, or parts of the same, that are inconsistent with the provisions of this ordinance, are hereby repealed to the extent of such inconsistency.

Section 16. There is hereby found and declared to be an immediate need for the securing and developing of substantial industrial operations in order to provide additional employment, alleviate unemployment, and otherwise benefit the public health, safety, and welfare of the City an the inhabitants thereof, and the issuance of the Bonds authorized hereby and the taking of the other action authorized herein are immediately necessary in connection with the securing and developing of substantial industrial operations and deriving the public benefits referred to above. It is therefore declared that an emergency exists and this Ordinance, being necessary for the immediate preservation of the public health, safety, and welfare, shall be in force and effect immediately upon and after its passage.

PASSED: December 1, 2026

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ATTEST: **APPROVED:**

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Allison Segars, City Clerk **Frank Scott, Jr., Mayor**

APPROVED AS TO FORM:

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Thomas M. Carpenter, City Attorney

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