RESOLUTION NO. ___

A RESOLUTION MAKING CERTAIN FINDINGS IN CONNECTION
WITH A PROGRAM FOR THE FINANCING OF CERTAIN INDUSTRIAL
FACILITIES IN THE CITY OF LITTLE ROCK, ARKANSAS;
AUTHORIZING THE EXECUTION OF AN AGREEMENT TO ISSUE
BONDS; AND FOR OTHER PURPOSES.

WHEREAS, pursuant to the Constitution and laws of the State of Arkansas, particularly the Local
Government Capital Improvement Revenue Bond Act of 1985, Ark. Code Ann.§ 14-164-401, et seq., and
Act 9 of the First Extraordinary Session of the Sixty-Second General Assembly of the State of Arkansas,
164-501, et seq.) (1998 Repl.)(collectively, the "Act"), the Board of Directors of the City of Little Rock,
Arkansas (the "City") is authorized to finance “facilities” including any real or personal property that can
be used or will be useful in securing and developing industry including, but not limited to, “corporate
headquarters facilities.”; and,

WHEREAS, Martial Arts Services, Inc., an Arkansas corporation (the “Company”), has evidenced its
interest in financing the acquisition construction and equipping of industrial facilities to be used as a
corporate headquarters facility; to be subleased to ATA International, Inc., and located at 1800 Riverfront
Drive, Little Rock, Arkansas 72202, in the City (the “Project”) for the purpose of providing existing
employment and creating new employment through the issuance of industrial revenue bonds under the
authority of the Act; and

WHEREAS, the City desires to assist the Company in the financing of the aforesaid Project under the
provisions of the Act; and

WHEREAS, it is desirable that the City enter into an Agreement to Issue Bonds for such purpose;

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

Section 1. That the Mayor and the City Clerk of the City be authorized to enter into an Agreement to
Issue Bonds in substantially the form and substance as follows:

AGREEMENT TO ISSUE BONDS

This Agreement to Issue Bonds is by and between the City of Little Rock, Arkansas
(hereinafter referred to as the "City"), and Martial Arts Services, Inc., an Arkansas corporation
(hereinafter referred to as the "Company").
IN CONSIDERATION of the undertakings of the parties set forth herein and the benefits to be derived therefrom and of other good and valuable consideration, receipt of which is hereby acknowledged by the parties, the City and the Company agree as follows:

1. Preliminary Statement.


(b) The Company intends to acquire, construct and equip a corporate headquarters facility to be leased to ATA International, Inc., to be located at 1800 Riverfront Drive, Little Rock, Arkansas 72202, in the City (the “Project”). The proposed financing will provide funds for the acquisition, construction, and equipping of the Project.

(c) The Company has determined and advised the City that, prior to commencement of the Project, the Company must obtain a commitment from the City that the City will issue its capital improvement revenue bonds as the Company and the City, upon advice of counsel, shall deem appropriate and make the proceeds available for the financing of the Project.

(d) The City is willing to so commit and to proceed with the issuance of such capital improvement revenue bonds as and when requested by the Company in principal amounts necessary to accomplish such Project, subject to compliance with all conditions legally applicable to the issuance of such bonds.

(e) The City considers that the making of the loan to the Company to finance the Project will be in the public interest and will promote the general health and welfare of the inhabitants of the City and adjacent areas.

(f) The Company hereby declares its intent to reimburse itself for the costs associated with the acquisition, construction and equipping of the Project (the “Expenditures”) from the proceeds of an Industrial Revenue Bond financing among the Company, the City and a purchaser of the bonds (the "Bonds") and, further, declares as follows:

i. It is expected that the Bonds will be issued upon completion of the Project.

Proceeds of the Bonds will be applied to reimburse the Company for the
Expenditures as soon as they are available, but in no event later than the date on which the Project is placed in service.

ii. The Company is aware of no reason which would cause it to expect that the Expenditures would be reimbursed from any source other than the proceeds of the Bonds.

iii. The Company is aware of no reason which would cause it to believe that the Expenditures will not be reimbursed by the proceeds of the Bonds.

iv. The Company is aware of nothing in the budget or financial circumstances of the Company which is inconsistent with the intent and declaration of the Company to finance the Expenditures with the Bonds. The Company is aware of no reason to expect that funds other than proceeds of the Bonds will be reserved or allocated on a long-term basis or otherwise set aside for the Expenditures pursuant to budgetary or financial policies of the Company.

v. The Bonds will be issued in the principal amount of approximately Thirteen Million Dollars ($13,000,000).

2. Undertakings on the Part of the City. Subject to the conditions stated herein, the City agrees as follows:

   (a) That when requested by the Company, it will authorize and take, or cause to be taken, the necessary steps to issue capital improvement revenue bonds under applicable law, in the aggregate principal amount necessary to furnish the financing of all or any part of the costs of accomplishing the Project. In this regard, it is estimated at this time that capital improvement revenue bonds in the aggregate principal amount of approximately Thirteen Million Dollars ($13,000,000) will be issued. However, the City's commitment is to issue capital improvement revenue bonds in such amount as shall be requested by the Company for accomplishing all or any part of the Project, whether that amount is more or less than the above estimate. It is understood that such bonds will not be general obligations of the City, but will be special obligations, and the City will not be called upon to pay any costs or expenses incurred in connection with the authorization and issuance of the bonds, and all such costs and expenses will be paid out of the proceeds of the bonds or by the Company.

   (b) That it will, at the proper time and subject in all respects to the recommendation and approval of the Company, adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary and advisable for the authorization, sale and issuance of the bonds, and for the lending of the proceeds of the bonds to the Company for the
purpose of financing the Project, all in conformity with Arkansas law and upon terms and
conditions mutually satisfactory to the City and the Company.

(c) That the aggregate payments (i.e., the payments to be used to pay the principal of and
premium, if any, and interest on the bonds) payable under lease agreements or other agreements
between the City and the Company shall be sufficient to pay the principal of and premium, if any,
and interest on the bonds when due. The lease agreements or other agreements shall contain such
provisions as are necessary or desirable, consistent with the authority conferred by applicable law.

(d) That the City will take or cause to be taken such further action and adopt such further
proceedings as may be required to implement the aforesaid undertakings or as it may deem
appropriate in pursuance thereof.

3. **Undertakings on the Part of the Company.** Subject to the conditions stated herein, the
Company agrees as follows:

(a) That the Company will cooperate with the City in the sale and issuance of the bonds.

(b) That the Company will enter into such lease agreements or other appropriate
agreements with the City under which the Company will obligate itself to pay to the City
payments sufficient to pay the principal of and premium, if any, and interest on the bonds when
due and containing such other provisions as are necessary or desirable, consistent with the
authority conferred by applicable law.

(c) That the Company will pay all costs of the Project, costs and expenditures incidental
thereto, and financing costs (including all costs of authorizing and issuing the bonds) not paid
from the proceeds of the bonds, and all of the City's costs and expenses reasonably and necessarily
incurred in connection with this Agreement to Issue Bonds or any other related document or
instrument. The Company will at all times indemnify and hold harmless the City against any and
all losses, costs, damages, expenses and liabilities of whatsoever nature directly or indirectly
resulting from, arising out of, or related to the matters in connection with this Agreement to Issue
Bonds.

(d) That the Company will take such further action and adopt such further proceedings
as may be required to implement the aforesaid undertakings or as it may deem appropriate in
pursuance thereof.

4. **General Provisions.** This Agreement to Issue Bonds shall continue in full force and effect
until the Project is accomplished, and in this regard it is understood that there may be separate
issues of bonds, and separate series within a particular issue, with different maturities, interest
rates, redemption provisions and other details. In the case of each issue, and of each series, the
City will take appropriate action by ordinance to sell and authorize the bonds and to authorize
and execute such agreements and documents as may be determined necessary or desirable by the City and the Company.

IN WITNESS WHEREOF, the City and the Company have entered into this Agreement to Issue Bonds by their officers thereunto duly authorized, as of the ___ day of ________, 2015.

CITY OF LITTLE ROCK,
ARKANSAS

By: __________________________
Mark Stodola, Mayor

ATTEST:

__________________________
Susan Langley, City Clerk

APPROVED AS TO LEGAL FORM:

__________________________
Thomas M. Carpenter, City Attorney

MARTIAL ARTS SERVICES, INC.

By: __________________________
Authorized Officer

Section 2. This resolution constitutes and represents the City’s intention to issue its Capital Improvement Industrial Revenue Bonds at such time as the provisions of the preliminary agreement have been fulfilled.

Section 3. Severability. In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this resolution is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the resolution 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 resolution.

Section 4. Repealer. All laws, ordinances, resolutions, or parts of the same, that are inconsistent with the provisions of this resolution, are hereby repealed to the extent of such inconsistency.