

LETTER OF OFFER AND REPRESENTATIONS

City of Jonesboro, Arkansas
300 Church Street
Jonesboro, Arkansas 72401
Attention: Mayor

Colson Caster, LLC
2121 Barnhill Road
Jonesboro, Arkansas 72401
Attention: _____

Crews & Associates, Inc.
521 President Clinton Ave., Suite 900
Little Rock, Arkansas 72201
Attention: Public Finance

Colson Group Holdings, LLC

Attention: _____

**Re: City of Jonesboro, Arkansas Taxable Industrial Development Revenue Bonds
(Colson Caster Project), Series 2022B**

Ladies and Gentlemen:

The undersigned (the “**Purchaser**”) offers to purchase the Taxable Industrial Development Revenue Bonds (Colson Caster Project), Series 2022B in the total principal amount of \$_____ (the “**Bonds**”) from the City of Jonesboro, Arkansas (the “**Issuer**”) at a price of 100% on the dollar. The Bonds shall be dated the date of their delivery. Interest on the Bonds shall be payable on first day of each month of each year, commencing _____, 2022. The Bonds shall be authorized in the aggregate principal amount of \$_____ bearing interest at the rates per annum and principal on the Bonds will be payable quarterly, beginning on _____, 20__ and thereafter on each of the dates and in the amounts as set forth in the schedule attached hereto, Exhibit A. _____, _____, Arkansas shall be trustee and paying agent for the Purchasers (the “**Trustee**”).

The Bonds shall be as described in, and this offer is subject to the terms of, a Trust Indenture to be dated as of the dated date of the Bonds (the “**Indenture**”) by and between the Issuer and the Trustee. The Bonds shall be general obligations of the Issuer, secured by a first lien on and security interest in the Trust Estate (as defined in the Indenture).

The Bonds are being issued to: (i) finance or refinance a portion of the costs of acquiring and installing equipment for the manufacture of casters and wheels (the “**Project**”) in connection with industrial facilities located in Jonesboro, Arkansas to be owned by the Issuer and leased to Colson Caster, LLC (the “**Lessee**”) pursuant to a Lease Agreement (the “**Lease Agreement**”), to be owned by the Issuer and leased to the Lessee pursuant to the terms of the Lease Agreement, (ii) establish a reserve fund with respect to the Bonds, and (iii) pay a portion of the expenses incurred in connection with the issuance of the Bonds. Under the Lease Agreement, the Lessee has agreed to provide ongoing disclosures to the Trustee and the Purchaser.

The Bonds shall be subject to redemption, from such funds, at such time, in such amounts and at such redemption prices as set forth in the Indenture.

Interest on the Bonds shall **not** be excluded from gross income of the Purchaser for federal income tax purposes. At the closing we will receive the approving bond counsel opinion of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C. (“**Bond Counsel**”), in customary form and substance.

The closing shall occur on or before _____, 2022, or at the request of the Issuer, at such earlier or later date agreed to by the undersigned. At the closing, the undersigned shall deliver the purchase price for the Bonds to the Trustee, for the credit of the Issuer, in immediately available funds, and the undersigned shall accept delivery of the Bonds. The proceeds of the purchase price for the Bonds shall be applied and disbursed pursuant to the terms of the Indenture, the Delivery Instructions and the Closing Memorandum with respect to the Bonds. This offer shall expire if not accepted by _____, 2022.

The undersigned represents and warrants to you as follows:

1. We have sufficient knowledge and experience in business and financial matters to enable us to evaluate the Bonds, the credit of the Issuer and the Lessee and the Bond terms and we will make our own independent credit analysis and decision to purchase the Bonds based upon an independent examination and evaluation of the transaction and the information deemed appropriate, without reliance on others, including placement agent or its affiliates, its directors, officers, employees, attorneys or agents.

2. We acknowledge that no underlying credit rating has been sought or obtained with respect to the Bonds.

3. We acknowledge that no official statement has been prepared for the Bonds, and the Bonds will not be rated, and neither the Issuer nor the Lessee will enter into a continuing disclosure agreement to provide ongoing disclosure with respect to the Bonds pursuant to SEC Rule 5c2-12. We have been offered copies of or full access to all documents relating to the Bonds and all records, reports, financial statements and other information concerning the Issuer and pertinent to the source of payment for the Bonds as deemed material by us, which we have requested and to which we would attach significance in making the decision to purchase the Bonds without reliance upon others.

4. We confirm that we have regularly bought and sold obligations similar to the Bonds for our own account and have the knowledge and experience in financial and business matters sufficient to enable us to evaluate the merits and risks of purchasing the Bonds.

5. We are purchasing the Bonds for our own account or for our loan portfolio and are not purchasing the Bonds for resale or other disposition and not with a present view to the sale, redistribution or other disposition thereof in the ordinary course of business in a transaction not amounting to a public offering as contemplated by Section 4(2) of the Securities Act of 1933, as amended (the “**1933 Act**”). Although our present intention is to hold

the Bonds to maturity or early redemption, we reserve the right, subject to paragraph 6 below, to sell participation interests in or otherwise dispose of the Bonds in the future as we choose. In reaching the conclusion that we desire to acquire the Bonds, we have carefully evaluated all risks associated with this purchase and acknowledge that we are able to bear the economic risk of this purchase. We are (i) an “accredited investor” within the meaning of Section 501(a)(1)-(8) of Regulation D under the 1933 Act or (ii) a “Qualified Institutional Buyer” within the meaning of Rule 144A under the 1933 Act with respect to the Bonds to be purchased by us.

6. We acknowledge that (1) the Bonds will not be registered under the 1933 Act or any applicable state securities law and (2) the Bonds may not be offered, sold, pledged or otherwise transferred except to a person who the holder reasonably believes is a qualified institutional buyer within the meaning of Rule 144A under the 1933 Act in a transaction meeting the requirements of Rule 144A or to an accredited investor as defined in Rule 501(a) of Regulation D under the 1933 Act or to an entity all of the owners of which are such accredited investors in a transaction relying on Section 4(a)(2) of the 1933 Act or pursuant to another exemption from registration under the 1933 Act, and in accordance with any applicable securities laws of any state of the united states or any other jurisdiction. The Bonds may not be offered, sold, pledged or otherwise transferred except to a qualified institutional buyer or an accredited investor and no such transfer may be made in the absence of an effective registration statement for the Bonds or pursuant to an exemption from registration under all applicable federal and state securities laws.

7. The Bonds will be purchased by us under the following conditions: (i) the Bonds will not be assigned a separate rating by any securities rating agency, (ii) the Bonds are not being registered or otherwise qualified for sale under the “Blue Sky” laws; (iii) we are purchasing the Bonds in evidence of a privately negotiated loan, (iv) the Bonds will not be assigned a CUSIP number by Standard & Poor’s CUSIP Service, (v) no official statement or other similar offering document will be required or delivered in connection with the private placement of the Bonds, (vi) the Bonds will not be registered with the Depository Trust Company or any other securities depository, and (vii) the obligations represented by the Bonds will be classified as a privately placed loan.

8. We acknowledge that the Bonds are special obligations of the Issuer and represent a pledge of certain revenues and contract rights of the Issuer under the Lease Agreement as more specifically set forth in the Indenture. The security for payment of the Bonds is more particularly described in the Bonds and the Indenture of the Issuer authorizing the issuance of the Bonds.

9. We understand that the Issuer and placement agent, and their respective counsel and Bond Counsel will rely upon the accuracy and truthfulness of the representations and warranties contained herein and hereby consent to such reliance.

10. The engagement of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C., as bond counsel, and Crews & Associates, Inc., as placement agent, did not include services related to the compilation, verification or furnishing to us of information regarding the merits and risks of issuing the Bonds by the Issuer and the making the loan to the Lessee evidenced

by the Lease Agreement. We have regularly made loans evidenced by debt instruments similar to the Bonds and have knowledge and experience in financial and business matters sufficient to enable us to evaluate such merits and risks.

11. The Issuer represents and warrants to the Purchaser that neither it nor any of its principals, shareholders, members, partners, or affiliates, as applicable, is a person named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of any such person. The Issuer further represents and warrants to the Purchaser that the Issuer and its principals, shareholders, members, partners, or affiliates, as applicable, are not directly or indirectly, engaged in, nor facilitating, the transactions contemplated by this transaction on behalf of any person named as a Specially Designated National and Blocked Person.

12. The signatory of this Letter of Offer and Representation is a duly authorized officer of the Purchaser with the authority to sign this Letter on behalf of Purchaser, and this Letter has been duly authorized, executed and delivered.

[Signature Page to Follow]

Dated: _____, 2022.

Sincerely,

By: _____

(Title)

ACCEPTED this _____ day of _____, 2022.

City of Jonesboro, Arkansas

By: _____
Mayor

Colson Caster, LLC

Colson Group Holdings, LLC

By: _____
[Name], [Title]

By: _____
[Name], [Title]

EXHIBIT A

Maturities, Principal Amounts, and Interest Rates

<u>Maturity Date</u> <u>(____ 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>
20	\$.00	%
20	.00	
20	.00	
20	.00	