

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

ENTERGY ARKANSAS INC

CIK: [7323](#) | IRS No.: **710005900** | State of Incorporation: **AR** | Fiscal Year End: **1231**
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

January 9, 2013

Entergy Arkansas, Inc.

(Exact name of registrant as specified in its charter)

Arkansas

(State or other jurisdiction
of incorporation)

1-10764

(Commission
File Number)

71-0005900

(IRS Employer
Identification No.)

425 West Capitol Avenue, Little Rock, Arkansas

(Address of principal executive offices)

72201

(Zip Code)

Registrant's telephone number, including area code

(501) 377-4000

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.03 – Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On January 9, 2013, Jefferson County, Arkansas (“Jefferson County”) issued and sold in a public offering for the benefit of Entergy Arkansas, Inc. (the “Company”) \$54,700,000 aggregate principal amount of tax-exempt revenue bonds (the “Jefferson Bonds”) and Independence County, Arkansas (“Independence County”) issued and sold in a public offering for the benefit of the Company \$45,000,000 aggregate principal amount of tax-exempt bonds (the “Independence Bonds”, together with the Jefferson Bonds, the “Bonds”).

The Jefferson Bonds bear interest at the rate of 1.55%, payable semi-annually on April 1 and October 1 of each year, commencing April 1, 2013, and mature on October 1, 2017. The Independence Bonds bear interest at the rate of 2.375%, payable semi-annually on January 1 and July 1 of each year, commencing July 1, 2013, and mature on January 1, 2021.

The Jefferson Bonds were issued under a Trust Indenture, dated as of January 1, 2013 (the "Jefferson Indenture"), between Jefferson County and Simmons First Trust Company, National Association, as Trustee (the "Trustee"). The Jefferson Bonds are payable solely from payments to be made by the Company pursuant to a loan agreement, dated as of January 1, 2013, between the Company and Jefferson County (the "Jefferson Loan Agreement"), pursuant to which Jefferson County has loaned the proceeds of the Jefferson Bonds to the Company. The Independence Bonds were issued under a Trust Indenture, dated as of January 1, 2013 (the "Independence Indenture" and, together with the Jefferson Indenture, the "Indentures"), between Independence County and the Trustee. The Independence Bonds are payable solely from payments to be made by the Company pursuant to a loan agreement, dated as of January 1, 2013, between the Company and Independence County (the "Independence Loan Agreement" and, together with the Jefferson Loan Agreement, the "Loan Agreements"), pursuant to which Independence County has loaned the proceeds of the Independence Bonds to the Company.

The Jefferson Bonds are secured by a pledge and assignment by Jefferson County to the Trustee of the revenues derived from the payments to be made by the Company pursuant to the Jefferson Loan Agreement, which payments are intended to be sufficient to enable the Trustee to pay when due the principal of and interest on the Jefferson Bonds. The Jefferson Bonds are secured by a pledge and assignment by Jefferson County to the Trustee of the revenues derived from the payments to be made by the Company pursuant to the Jefferson Loan Agreement, which payments are intended to be sufficient to enable the Trustee to pay when due the principal of and interest on the Jefferson Bonds.

The obligation of the Company under the Jefferson Loan Agreement to make such payments is evidenced by a series of the Company's first mortgage bonds (the "Series G Mortgage Bonds"), issued and delivered under the Seventy-second Supplemental Indenture, dated as of January 1, 2013 (the "Supplemental Indenture"), to the Company's Mortgage and Deed of Trust dated as of October 1, 1944, with Deutsche Bank Trust Company Americas (successor to Guaranty Trust Company of New York) and (as to property, real or personal, situated or being in Missouri) The Bank of New York Mellon (successor to Marvin A. Mueller), as trustees, as supplemented and modified (the "Mortgage"). The obligation of the Company under the Independence Loan Agreement to make such payments is evidenced by a separate series of the Company's first mortgage bonds (the "Series H Mortgage Bonds" and, together with the Series G Mortgage Bonds, the "Mortgage Bonds"), also issued and delivered under the Supplemental Indenture.

The Series G Mortgage Bonds were issued and delivered to Jefferson County who then pledged and assigned to the Trustee for the benefit of the holders of the Jefferson Bonds, and the Series H Mortgage Bonds were issued and delivered to Independence County who then pledged and assigned to the Trustee for the benefit of the holders of the Independence Bonds, all rights, title and interests in, to and under such respective series of Mortgage Bonds (including the right to receive such series of Mortgage Bonds under the related Loan Agreement). As holder of the Mortgage Bonds, the Trustee, ratably with the holders of all other first mortgage bonds outstanding under the Mortgage, enjoys the benefit of the Mortgage, which constitutes a first mortgage lien on, subject to certain exceptions, substantially all of the property of the Company.

The proceeds received by each of Jefferson County and Independence County from the sale of the respective series of Bonds, together with other funds provided by the Company, were used or will be used to refinance the Company's obligations with respect to certain outstanding series of pollution control revenue bonds issued by each of the respective counties.

The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the complete text of the Indentures, the Loan Agreements, the Supplemental Indenture and the Mortgage.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
4(a)	Trust Indenture, dated as of January 1, 2013, between Jefferson County and Simmons First Trust Company, National Association authorizing Bonds (Entergy Arkansas, Inc. Project) Series 2013.
4(b)	Loan Agreement, dated as of January 1, 2013, between Jefferson County and Entergy Arkansas, Inc. relating to Revenue Bonds (Entergy Arkansas, Inc. Project) Series 2013.
4(c)	Trust Indenture, dated as of January 1, 2013, between Independence County and Simmons First Trust Company, National Association authorizing Bonds (Entergy Arkansas, Inc. Project) Series 2013.
4(d)	Loan Agreement, dated as of January 1, 2013, between Independence County and Entergy Arkansas, Inc. relating to Revenue Bonds (Entergy Arkansas, Inc. Project) Series 2013.
4(e)	Seventy-second Supplemental Indenture, dated as of January 1, 2013, establishing the terms of the Mortgage Bonds.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Entergy Arkansas, Inc.
(Registrant)

Date January 9, 2013

/s/ Steven C. McNeal
(Signature)
Steven C. McNeal
Vice President and Treasurer

JEFFERSON COUNTY, ARKANSAS

and

SIMMONS FIRST TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

TRUST INDENTURE

Dated as of January 1, 2013

Relating to \$54,700,000 Pollution Control
Revenue Refunding Bonds
(Entergy Arkansas, Inc. Project)
Series 2013

THIS TRUST INDENTURE, dated as of January 1, 2013, by and between **JEFFERSON COUNTY, ARKANSAS**, a political subdivision under the Constitution and laws of the State of Arkansas (the "Issuer"), and **SIMMONS FIRST TRUST COMPANY, NATIONAL ASSOCIATION**, a trust company duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, as Trustee (the "Trustee").

RECITALS

WHEREAS, the Issuer is authorized and empowered under the laws of the State of Arkansas, including particularly the provisions of Title 14, Chapter 267 of the Arkansas Code of 1987 Annotated (the "Act"), to issue revenue bonds and to expend the proceeds thereof to finance and refinance the acquisition, construction, reconstruction, extension, equipment or improvement of pollution control facilities for the disposal or control of sewage, solid waste, water pollution, air pollution, or any combination thereof; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Issuer has heretofore issued \$54,700,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2006 (the "Prior Bonds"), pursuant to a Trust Indenture dated as of June 1, 2006, by and between the Issuer and Simmons First Trust Company, National Association, as trustee thereunder (the "Prior Trustee"); and

WHEREAS, the Prior Bonds were issued to refinance the cost of acquiring, constructing and equipping an undivided interest (the "Project") in certain pollution control and sewage and solid waste disposal facilities (the "Facilities") at the White Bluff Steam Electric Generating Station (the "Plant") of Entergy Arkansas, Inc. (formerly Arkansas Power & Light Company), a corporation authorized and existing under the laws of the State of Arkansas (the "Company"), and others located within the boundaries of the Issuer near Redfield, Arkansas; and

WHEREAS, there is currently outstanding \$54,700,000 in aggregate principal amount of the Prior Bonds; and

WHEREAS, the Issuer and the Company have entered into a Loan Agreement, dated as of January 1, 2013 (the "Agreement"), providing that, for the purposes therein set forth, the Issuer will issue and sell its Bonds (as hereinafter defined) in one or more series; that the Issuer will loan the proceeds of the Bonds to the Company; and that to evidence any Loan (as hereinafter defined) the Company will execute and deliver, concurrently with the issuance of each series of Bonds, a non-negotiable promissory note in a like principal amount bearing interest at the same stated rate or rates of interest as such series of Bonds; and

WHEREAS, the execution and delivery of this Indenture and the Agreement have been in all respects duly and validly authorized by an order or orders duly entered by the County Court of the Issuer; and

WHEREAS, in order to provide funds to currently refund all of the outstanding Prior Bonds, the Issuer has duly authorized the issuance and sale of its Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 (hereinafter sometimes called the "Series 2013 Bonds"), in the aggregate principal amount of \$54,700,000; and

WHEREAS, to evidence in part its payment obligations under the Agreement for the Series 2013 Bonds, the Company will deliver to the Trustee the First Mortgage Bonds (as hereinafter defined), in accordance with Section 3.5 of the Agreement; and

WHEREAS, the Issuer has determined that the Series 2013 Bonds and the certificate of authentication by the Trustee and the certificate of registration and validation to be endorsed on all the Series 2013 Bonds shall be, respectively, substantially in the following forms, with such variations, omissions and insertions as are required or permitted by this Indenture:

[FORM OF BOND]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No.
R-1

\$54,700,000

Date: January 9, 2013

CUSIP: _____

UNITED STATES OF AMERICA
STATE OF ARKANSAS
JEFFERSON COUNTY, ARKANSAS
POLLUTION CONTROL REVENUE REFUNDING BOND
(Entergy Arkansas, Inc. Project)
Series 2013

JEFFERSON COUNTY, ARKANSAS (herein called the "Issuer"), a political subdivision under the Constitution and laws of the State of Arkansas, for value received, hereby promises to pay, solely from the special fund provided therefor as hereinafter set forth, to Cede & Co. or registered assigns or legal representative, on the 1st day of October, 2017 (or earlier as hereinafter referred to), upon the presentation and surrender hereof at the principal corporate trust office of the Trustee (hereinafter mentioned), the principal sum of Fifty-Four Million Seven Hundred Thousand & No/100ths Dollars (\$54,700,000) in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay, solely from said special fund, to the registered owner hereof by check or draft mailed to the registered owner at his address as it appears on the bond registration, subject to the penultimate paragraph of this Bond, books of the Issuer, interest (calculated on the basis of a year of 360 days and twelve 30-day months) on said principal sum from the latest semiannual interest payment date to which interest has been paid on Bonds of this series preceding the date hereof, unless the date hereof is an interest payment date to which interest is being paid, in which case from the date hereof, or unless the date hereof is prior to April 1, 2013, in which case from the date hereof, at the rate of One and Fifty-Five One-Hundredths percent (1.55%) per annum until payment of said principal sum, such interest being payable semiannually on the 1st days of April and October (commencing April 1, 2013) in each year in like coin or currency.

The interest payable on any April 1 or October 1 will, subject to certain exceptions provided in the Indenture (hereinafter mentioned), be paid to the person in whose name this Bond is registered at the close of business on the record date, which shall be the March 15 or September 15, as the case may be, immediately preceding such interest payment date.

The Issuer is a political subdivision validly existing pursuant to the Constitution and laws of the State of Arkansas. The Bonds (hereinafter mentioned) are authorized to be issued for purposes for which bonds are authorized to be issued under the provisions of Title 14, Chapter 267 of the Arkansas Code of 1987 Annotated (the "Act"). This Bond and the interest hereon shall not be deemed to constitute a debt, liability or obligation of the Issuer or the State of Arkansas or any political subdivision thereof, or a pledge of the faith and credit of the Issuer or the State of Arkansas or any political subdivision thereof, but this Bond shall be payable solely from the revenues and proceeds provided therefor as hereinafter described and the Issuer is not obligated to pay this Bond or the interest hereon except from the revenues and proceeds pledged therefor and neither the faith and credit nor the taxing power of the Issuer or the State of Arkansas or any political subdivision thereof is pledged to the payment of the principal or interest on this Bond. No covenant or agreement contained in this Bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the Issuer in his individual capacity and no member of the governing body of the Issuer nor any officer of the Issuer executing this Bond shall be liable personally on this Bond or be subject to any personal liability in connection with the issuance of this Bond. The Bonds do not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory limitation.

This Bond is one of a duly authorized series of revenue refunding bonds of the Issuer known as "Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013" (the "Series 2013 Bonds"), issued for the purpose of currently refunding all of the \$54,700,000 (outstanding principal amount) Jefferson County, Arkansas Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2006 (the "Prior Bonds"). The Prior Bonds were originally issued in order to refinance the cost of the acquisition, construction and equipping of an undivided interest in certain pollution control and sewage and solid waste disposal facilities (the "Facilities") at the White Bluff Steam Electric Generating Station in Jefferson County, Arkansas (the "Plant").

The Bonds of this series are initially authorized to be issued in the aggregate of Fifty-Four Million Seven Hundred Thousand & No/100ths Dollars (\$54,700,000) in principal amount. The Indenture provides for the issuance, under the conditions, limitations and restrictions therein set forth, of additional Bonds for the purpose of refunding Bonds of any series issued under the Indenture.

The Bonds of this series and all such additional Bonds (herein called collectively the "Bonds") are issued or are to be issued under and pursuant to a trust indenture (said trust indenture, together with all trust indentures supplemental thereto as therein permitted, being herein called the "Indenture"), dated as of January 1, 2013, by and between the Issuer and Simmons First Trust Company, National Association, as Trustee (said trustee and any successor trustee under the Indenture being herein called the "Trustee"), an executed counterpart of which Indenture is on file at the principal corporate trust office of the Trustee in Pine Bluff, Arkansas. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds issued under the Indenture, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal of and interest on the Bonds, the nature and extent of the security, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Issuer and of the Trustee, the rights of the holders of the Bonds and the terms and conditions pursuant to which the Indenture and the Agreement (hereinafter mentioned) may be amended, and, by the acceptance of this Bond, the holder hereof assents to all of the provisions of the Indenture.

This Bond is issued and the Indenture was made and entered into under and pursuant to the Constitution and laws of the State of Arkansas, and particularly the Act, and under and pursuant to orders duly adopted by the County Court of the Issuer.

The Issuer has entered into a Loan Agreement, dated as of January 1, 2013 (herein called the "Agreement"), with Entergy Arkansas, Inc., a corporation organized and existing under the laws of the State of Arkansas and formerly known as Arkansas Power and Light Company (herein called the "Company"), under the provisions of which the Issuer has loaned the proceeds of the Bonds of this series to the Company and has agreed to loan the proceeds of any additional series of Bonds to the Company (herein called the "Loan"). In order to evidence the Loan and the Company's repayment obligation, the Company has executed and delivered its non-negotiable promissory note and has agreed to issue additional such notes concurrently with the issuance of any additional series of Bonds (herein called the "Notes"). The Notes provide for the repayment by the Company of the Loan, including interest thereon, in installments sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable. The Notes provide that the amounts so to be paid thereunder shall be paid directly to the Trustee as assignee of the Issuer; such payments are to be deposited to the credit of the Bond Fund as defined in and created under the Indenture which special fund is pledged to and charged with the payment of the principal of and interest on all Bonds issued under the Indenture and such amounts so to be paid thereunder have been duly pledged and assigned for that purpose. In addition, certain other rights of the Issuer under the Agreement have been assigned to the Trustee to secure payment of such principal and interest under the Indenture.

In addition to the Notes, the Company has issued and delivered its First Mortgage Bonds under Section 3.5 of the Agreement, to evidence in part its payment obligations set forth in the Agreement relating to the Bonds of this series, which First Mortgage Bonds have been registered in the name of, and are held by, the Trustee under the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. At the principal corporate trust office of the Trustee, in the manner and subject to the limitations, conditions and charges provided in the Indenture, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bonds of this series are subject to optional redemption by the Issuer in whole but not in part, at any time, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest thereon to the redemption date in the event the Trustee and the Issuer shall have received written notice from the Company, pursuant to Section 4.9 of the Agreement, of its determination of the occurrence of certain events specified in Section 3.02(a) or (b) of the Indenture.

The Bonds of this series are also subject to optional redemption by the Issuer, at the written direction of the Company pursuant to Section 4.9 of the Agreement, in whole but not in part, at any time, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest thereon to the redemption date, if the Company shall have consolidated with or merged with or into another corporation, or a limited liability company, partnership or trust, or sold or otherwise transferred all or substantially all of its assets.

The Bonds of this series are also subject to optional redemption by the Issuer, at the written direction of the Company, pursuant to Section 4.9 of the Agreement, in whole or in part (but if in part by lot or in such other random manner as the Trustee in its discretion may determine), at any time, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date, if the Company delivers to the Trustee a written certificate (a) to the effect that (i) by reason of a change in use of the Facilities or any portion or portions thereof, the Company has been unable, after reasonable effort and absent such redemption or a defeasance of the Bonds, to obtain an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that a court, in a properly presented case, should decide that (A) Section 150 of the Internal Revenue Code of 1986, as amended (the "1986 Code") (or successor provision of similar import), does not prevent that portion of the Loan payable under the Agreement and attributable to interest on the Bonds of this series from being deductible by the Company for federal income tax purposes, or (B) the compliance by the Company with the provisions of Treasury Department Regulations Section 1.142-2 (or successor provision of similar import) does not prevent interest on the Bonds of this series from being excludable from gross income (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended (the "1954 Code")), or (ii) the Company has abandoned (or has been determined by the Internal Revenue Service to have abandoned) its interest in the Facilities, (b) specifying that as a result of its inability to obtain such opinion of nationally recognized counsel experienced on the subject of municipal bonds or such abandonment, the Company has elected to prepay amounts due under the Agreement equal to the redemption price of the Bonds of this series (or portion thereof) to be so redeemed, and (c) specifying the principal amount of the Bonds of this series which the Company has determined to be the minimum necessary to be so redeemed in order for the Company to retain its rights to such interest deductions and the interest payable on the Bonds of this series to retain its excludability from gross income under Section 103 of the 1954 Code (other than for an owner who is a "substantial user" of the Facilities or a "related person" as those terms are used and defined in the 1954 Code) (which principal amount of the Bonds of this series will be so redeemed).

The Bonds of this series are subject to mandatory redemption, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date, on the 180th day (or such earlier date as may be designated by the Company) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Company of an opinion of nationally recognized counsel experienced on the subject of municipal bonds rendered at the request of the Company, to the effect that, as a result of a failure by the Company to observe any covenant, agreement or representation contained in the Agreement or the Issuer to observe any covenant, agreement or representation in the Indenture, the interest payable on such Bonds is not excludable for federal income tax purposes from the gross income of the owners thereof (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code) or would not be in the absence of such mandatory redemption. No determination by any court or administrative agency will be considered final unless the Company has received timely notice of and has had an opportunity to participate in the proceeding which resulted in such determination. The Bonds of this series will be redeemed, either in whole or in part (but if in part by lot or in such other random manner as the Trustee in its discretion may determine), in such principal amount that the interest payable on such Bonds remaining outstanding after such redemption would not under Section 103 of the 1954 Code be included in the gross income of any owner thereof (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code).

Any such redemption, either in whole or in part, shall be made upon not less than twenty-five (25) days' nor more than sixty (60) days' prior notice as provided in the Indenture, and shall be made in the manner and under the terms and conditions provided in the Indenture. On the date designated for redemption, notice having been given and moneys for payment of the redemption price and accrued interest being held by the Trustee or by the paying agents, all as provided in the Indenture, the Bonds or portions of Bonds of this series so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds of this series or such portions thereof on such date, interest on such Bonds of this series or such portions thereof so called for redemption shall cease to accrue, such Bonds of this series or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture, and the registered owners thereof shall have no rights in respect of such Bonds of this series or such portions thereof so called for redemption or in respect of the Indenture except to receive payment of the redemption price and accrued and unpaid interest thereon so held by the Trustee or by the paying agents. If a portion of this Bond shall be called for redemption, a new registered Bond of this series without coupons in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender hereof.

With respect to notice of redemption of any Bonds at the option of the Issuer (at the written direction of the Company pursuant to Section 4.9 of the Agreement), unless moneys sufficient to pay the principal of and interest on any such Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice, such notice may state that said redemption shall be conditioned upon the receipt of such moneys by the Trustee on or prior to the date fixed for such redemption. If such moneys shall not have been so received, such notice shall be of no force and effect, the Issuer shall not redeem such Bonds and the Trustee shall give notice to the owners of all Bonds which were to have been redeemed, in the manner in which the notice of redemption was given, that such moneys were not so received.

The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds then Outstanding under the Indenture may become or may be declared due and payable before the stated maturity thereof, together with the interest accrued thereon.

Modifications or alterations of the Indenture or any trust indenture supplemental thereto or of the Agreement may be made only to the extent and in the circumstances permitted by the Indenture.

The transfer of this Bond may be registered by the registered owner hereof in person or by his attorney or legal representative at the principal corporate trust office of the Trustee, but only in the manner and subject to the limitations and conditions provided in the Indenture and upon surrender and cancellation of this Bond. Upon any such registration of transfer the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for this Bond a new registered Bond or Bonds of this series without coupons, registered in the name of the transferee, of authorized denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same series and maturity and bearing interest at the same rate.

This Bond is issued with the intent that the laws of the State of Arkansas shall govern its construction. As declared by the Act and other applicable laws of the State of Arkansas, this Bond shall have all the qualities and incidents, including negotiability, of an investment security under the Uniform Commercial Code of the State of Arkansas.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture have happened, exist and have been performed as so required.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

The Bonds of this series are initially being issued by means of a book entry system with no physical distribution of bond certificates to be made except as provided in the Indenture. One global bond certificate, registered in the name of the Securities Depository Nominee, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book entry system will evidence positions held in the Bonds of this series by the Securities Depository's participants, and beneficial ownership of the Bonds of this series in the principal amount of \$5,000 each and integral multiples thereof being evidenced in the records of such participants. Notwithstanding anything to the contrary in this Bond and in the Indenture as long as the Bonds of this series remain in a book entry system, (a) transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants, (b) the Issuer, the Company and the Trustee will recognize the Securities Depository Nominee, while the registered owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of and interest on, this Bond, notices and voting, (c) transfer of principal and interest payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest payments to beneficial owners of the Bonds of this series by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners and (d) the Issuer, the Company and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository Nominee, its participants or persons acting through such participants. While the Securities Depository Nominee is the owner of this Bond, notwithstanding the provisions hereinabove contained, payments of principal of and interest on this Bond shall be made in accordance with existing arrangements between the Trustee or its successors under the Indenture and the Securities Depository.

Capitalized terms used herein but not defined herein shall have the meanings given and assigned to such terms in the Indenture and the Agreement.

IN WITNESS WHEREOF, Jefferson County, Arkansas has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its County Judge, and by the manual or facsimile signature of its County Clerk and a facsimile of its seal to be imprinted hereon.

JEFFERSON COUNTY, ARKANSAS

(SEAL)

By _____
County Judge

ATTEST:

County Clerk

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the series designated herein and issued under the provisions of the within mentioned Indenture.

**SIMMONS FIRST TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee**

By _____
Authorized Signature

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned _____ (the "Transferor"), hereby sells, assigns and transfers unto _____ whose address is _____ and whose social security number (or other federal tax identification number) is: _____

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF TRANSFEREE _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ as attorney to register the transfer of the within Bond on the books kept for registration and registration of transfer thereof, with full power of substitution in the premises.

Date: _____

SIGNATURE(S) GUARANTEED BY:

(Firm or Bank)

Authorized Signature

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless that signature(s) to this assignment correspond(s) with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and name, address and the Social Security Number or federal employee identification number of the Transferee is supplied.

Signature(s) guaranteed by a guarantor institution pursuant to Securities and Exchange Commission Rule 17Ad-15 under the Securities Exchange Act of 1934, or such other similar rule as the Trustee may deem appropriate.

The following abbreviations when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with right of survivorship and not as tenants in common
- UNIF GIFT/TRANS MIN ACT - _____ Custodian for _____ under
(Custodian) (Minor)
- Uniform Gifts/Transfers to Minors Act of _____
(State)

Additional abbreviations may also be used though not in list above.

[END OF FORM OF BOND]

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of Arkansas to happen, exist and be performed precedent to and in connection with the execution and delivery of this Indenture and the Agreement have happened, exist and have been performed as so required, in order to make this Indenture a valid and binding trust indenture for the security of the Bonds in accordance with its terms and in order to make the Agreement a valid and binding agreement in accordance with its terms; and

WHEREAS, the Trustee has accepted the trusts created by this Indenture and in evidence thereof has joined in the execution hereof.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and the purchase and acceptance of the Bonds by the holders thereof, and also for and in consideration of the sum of One Dollar (\$1.00) to the Issuer in hand paid by the Trustee at or before the execution and delivery of this Indenture, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of all Bonds at any time issued and outstanding hereunder and the interest and the redemption premium, if any, thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein or herein contained; the Issuer has executed and delivered this Indenture, will cause the Company to deliver to the Trustee the Company's promissory note dated the date of the initial issuance of the Series 2013 Bonds and will cause the Company to deliver any other of its Notes (as defined in the Agreement) required in connection with the issuance of Additional Bonds (as hereinafter defined), will cause the Company to deliver the First Mortgage Bonds (as defined in the Agreement) to the Trustee in accordance with Section 3.5 of the Agreement to evidence in part payments under the Agreement with respect to the Series 2013 Bonds and will cause the Company to deliver a series of first mortgage bonds to the Trustee to the extent required in connection with the issuance of Additional Bonds; the Issuer does hereby bargain, sell, convey, assign and pledge to the Trustee, and grant to the Trustee a security interest in, all rights, title and interests of the Issuer in, to and under such Notes and all payments made and to be made thereunder and all security for the payment of all outstanding Series 2013 Bonds and any Additional Bonds and the interest and the redemption premium, if any, thereon and does hereby bargain, sell, convey, assign and pledge to the Trustee, and grant to the Trustee a security interest in, all other rights, title and interests of the Issuer in, to and under the Agreement (including the right to receive the First Mortgage Bonds or any other first mortgage bonds of the Company issued in connection with the issuance of Additional Bonds) and all moneys receivable thereunder (except for payments to be received under Sections 4.3 and 5.3 of the Agreement) as security for the payment of the Bonds as aforesaid and the satisfaction of any other obligation assumed by it in connection with all Bonds Outstanding at any time issued hereunder; provided, however, that all amounts on deposit in the Rebate Fund are not pledged hereunder and do not constitute security for the Bonds;

TO HAVE AND TO HOLD the same unto the Trustee and its successors in trust forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit and security of all and singular present and future holders of the Bonds issued and to be issued under this Indenture, without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter provided, of any one Bond over any other Bond, by reason of priority in the issue, sale or negotiation thereof or otherwise;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns shall pay or cause to be paid the principal of, redemption premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds, and shall cause the payments to be made into the Bond Fund (as hereinafter defined) as required under Article V hereof or shall provide, as permitted hereby, for the payment thereof pursuant to the provisions of Article VII hereof, and shall perform all the covenants and conditions required of it by this Indenture, and shall pay or cause to be paid to the Issuer, the Trustee and any additional paying agents all sums of money due or to become due to them in accordance with the terms and provisions hereof, then upon such final payments, except as provided in Article VII hereof, this Indenture and the rights hereby granted shall terminate and the Trustee shall release this Indenture and shall execute such documents to evidence such termination and release as may be reasonably required by the Issuer or the Company; otherwise this Indenture to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds from time to time issued and secured hereunder are to be issued, authenticated and delivered, and all said property, rights and interests, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of subject to the terms of this Indenture, and the Issuer agrees with the Trustee and with the respective holders and owners, from time to time, of said Bonds, or part thereof, as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the recitals hereto and in the Agreement.

In addition, the following words and phrases shall have the following meanings:

Additional Bonds

"Additional Bonds" means the Bonds authorized to be issued under Section 2.10 of this Indenture.

Authorized Company Representative

"Authorized Company Representative" means the President, any Vice President, the Treasurer, the Secretary, any Assistant Treasurer or any Assistant Secretary of the Company or the person or persons at the time designated to act on behalf of the Company by any one of said officers, such designation in each case to be evidenced by a certificate furnished to the Issuer and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Company by said officer.

Bond Fund

"Bond Fund" means the trust fund created by Section 5.02 of this Indenture.

Bondholder

"Bondholder" or "holder" or "owner of the Bonds" means the person or entity in whose name any Bond is registered.

Bond Registrar

"Bond Registrar" has the meaning set forth in Section 2.05 of this Indenture.

Bonds

"Bonds" means the Series 2013 Bonds authorized to be issued under Section 2.02 of this Indenture and any Additional Bonds.

Code

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

DTC

"DTC" has the meaning set forth in Section 2.11(h) of this Indenture.

Event of Default

"Event of Default" means any occurrence or event described in Section 8.01 of this Indenture.

Facilities

"Facilities" means the pollution control and sewage and solid waste disposal facilities at the Plant which were refinanced, in whole or in part, with the proceeds of the Prior Bonds.

First Mortgage Bonds

"First Mortgage Bonds" means the series of bonds issued and delivered under the First Mortgage Bonds Indenture and held by the Trustee pursuant to Section 3.5 of the Agreement.

First Mortgage Bonds Indenture

"First Mortgage Bonds Indenture" means the Company's Mortgage and Deed of Trust, dated as of October 1, 1944, between the Company and the First Mortgage Bonds Trustee, and, as to property, real or personal, situated or being in Missouri, Marvin A. Mueller (The Bank of New York Mellon Trust Company, National Association, successor), as Missouri co-trustee, as heretofore and hereafter amended and supplemented, including the Seventy-second Supplemental Indenture, dated as of January 1, 2013, pursuant to which the First Mortgage Bonds will be issued.

First Mortgage Bonds Trustee

"First Mortgage Bonds Trustee" means Deutsche Bank Trust Company Americas (as successor to Guaranty Trust Company of New York).

Government Obligations

"Government Obligations" means (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged, or (b) obligations issued by a person controlled or supervised by and acting as an instrumentality of the United States of America, the timely payment of the principal of and premium, if any, and interest on which is fully and unconditionally guaranteed as a full faith and credit obligation by the United States of America.

Indenture

"Indenture" means this trust indenture and any indenture supplemental hereto.

1954 Code

"1954 Code" means the Internal Revenue Code of 1954, as amended, and the regulations promulgated thereunder.

Maturity Date

"Maturity Date" means October 1, 2017.

Outstanding

"Outstanding" or "Bonds Outstanding" or "Bonds then Outstanding" means all Bonds which have been authenticated and delivered by the Trustee under this Indenture, except:

- (a) Bonds cancelled after purchase or because of payment at or redemption prior to maturity;

(b) Bonds for the payment or redemption of which all necessary moneys or Government Obligations shall have been theretofore deposited with the Trustee (whether upon or prior to the maturity or redemption date of any such Bonds); provided that, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, pursuant to the terms hereof, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee;

(c) Bonds in exchange for which, or upon the transfer of which, other Bonds have been authenticated under Section 2.05 of this Indenture; and

(d) Bonds in lieu of which other Bonds have been authenticated under Sections 2.07 and 2.08 of this Indenture.

Person

"Person" means any natural person, firm, partnership, limited liability company, association, corporation, trust or public body.

Plant

"Plant" means the electric generating plant jointly owned by the Company and others located within the boundaries of the Issuer near Redfield, Arkansas and known as the White Bluff Steam Electric Generating Station.

Project

"Project" means the interest of the Company in the Facilities on the respective dates of issuance of (a) the Issuer's Pollution Control Revenue Bonds, Series 1977 (Arkansas Power & Light Company Project), in the aggregate principal amount of \$45,500,000, and (b) the Issuer's Pollution Control Revenue Bonds, Series 1978 (Arkansas Power & Light Company Project), in the aggregate principal amount of \$9,200,000.

Rebate Agreement

"Rebate Agreement" has the meaning set forth in Section 5.09 of this Indenture.

Rebate Fund

"Rebate Fund" has the meaning set forth in Section 5.09 of this Indenture.

Refunding Bonds

"Refunding Bonds" has the meaning set forth in Section 2.10 of this Indenture.

Securities Depository

"Securities Depository" means a recognized securities depository (or its successor or substitute) selected by the Issuer, at the direction of the Company, to act as the securities depository maintaining a book entry system for a particular series of Bonds.

Securities Depository Nominee

"Securities Depository Nominee" means, with respect to a particular series of Bonds and as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name the Bonds of such series shall be registered on the registration books of the Issuer during the time such series of Bonds are held under a book entry system through such Securities Depository.

Trustee

"Trustee" means the trustee serving as such under this Indenture, including any successor Trustee serving or appointed pursuant to Section 9.05 or 9.08 of this Indenture.

ARTICLE II

THE BONDS

Section 2.01 Authorized Amount of Bonds. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article II.

Section 2.02 Issuance of Bonds. There shall be initially issued under and secured by this Indenture Bonds of the Issuer, dated as of the date of their delivery, in the aggregate principal amount of Fifty-Four Million Seven Hundred Thousand & No/100ths Dollars (\$54,700,000) for the purpose of currently refunding all of the outstanding Prior Bonds related to the refinancing of the acquisition, construction and equipping of the Project. Said Bonds shall be designated "Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013", shall bear interest (calculated on the basis of a year of 360 days and twelve 30-day months) at the rate of One and Fifty-Five One-Hundredths percent (1.55%) per annum, which interest shall be payable semi-annually on the 1st days of April and October in each year, commencing April 1, 2013 (each, an "Interest Payment Date"), and shall mature, subject to prior redemption as hereinafter set forth, on the 1st day of October, 2017.

Section 2.03 Form of Bonds. The definitive Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. The definitive Bonds shall be substantially in the form hereinabove set forth, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

Section 2.04 Details, Execution and Payment. Each Bond of each series shall be dated as of the date of authentication, and shall bear interest from the latest semi-annual interest payment date to which interest has been paid on the Bonds of such series preceding the date of authentication, unless such date of authentication is an interest payment date to which interest is being paid on the Bonds of such series, in which case it shall bear interest from such date of authentication, provided that Bonds of each series authenticated prior to the first interest payment date of such series shall bear interest from a date specified for such series, which date, in the case of the Series 2013 Bonds, shall be the date of their delivery.

The Bonds shall be executed by the manual or facsimile signature of the County Judge of the Issuer and attested by the manual or facsimile signature of its County Clerk and the seal of the Issuer or a facsimile thereof shall be affixed thereto or imprinted thereon.

All authorized facsimile signatures shall have the same force and effect as manual signatures.

In case any officer whose signature or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery, and also any Bond may be signed by or bear the facsimile signature of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of delivery of such Bond such persons may not have been such officers.

The principal of, redemption premium, if any, and interest on the Bonds shall be payable on or before the respective dates of payment therefor in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of, and redemption premium, if any, on all Bonds shall be payable at the principal corporate trust office of the Trustee, and payment of the interest on each Bond shall be made by the Trustee on each interest payment date to the person appearing on the registration books for the Bonds hereinafter provided for as the owner thereof, subject to Section 2.11 hereof, by check or draft mailed to such owner at his address as it appears on such registration books; provided however, interest payable at maturity of any Bond shall be payable to the person entitled to receive the principal of such Bond upon the presentation and surrender of such Bond. Payment of the principal of, and redemption premium, if any, on all Bonds shall be made upon the presentation and surrender of such Bonds as the same shall become due and payable.

The person in whose name any Bond of any series is registered at the close of business on any record date (as hereinafter defined) with respect to any interest payment date for the Bonds of such series shall be entitled to receive the interest payable on such interest payment date notwithstanding the cancellation of such Bond upon any transfer or exchange thereof subsequent to the record date and prior to such interest payment date, except if and to the extent there shall be a default in the payment of the interest due on such interest payment date, in which case such defaulted interest shall be paid to the person in whose name such Bond (or any Bond or Bonds issued, directly or after intermediate transactions, upon transfer or exchange or in substitution thereof) is registered on a subsequent record date for such payment established as hereinafter provided. A subsequent record date may be established by the Issuer at the direction of the Company by notice mailed to the Trustee and the holders of the Bonds of the affected series not less than ten days preceding such record date, which record date shall not be less than five nor more than thirty days prior to the subsequent interest payment date. The term "record date" as used in this Section 2.04 with respect to any regular interest payment date shall mean the fifteenth day of the month immediately preceding such interest payment date, if such interest payment date shall be the first day of a month, or the first day of the month in which such interest payment date shall fall, if such interest payment date shall be the fifteenth day of a month, or, if such day shall be a legal holiday or a day on which banking institutions in New York, New York are authorized by law to close, the immediately preceding day which shall not be a legal holiday or a day on which such institutions are so authorized to close.

Section 2.05 Authentication, Registration, Exchange, Transfer and Ownership of Bonds. Only such of the Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinabove set forth, duly executed by the Trustee, shall be entitled to any benefit or security under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized representative of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

Bonds, upon surrender thereof at the principal corporate trust office of the Trustee, together with an assignment duly executed by the owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same series and maturity, of any denomination or denominations authorized by this Indenture, and bearing interest at the same rate.

The Trustee is hereby appointed as bond registrar (the "Bond Registrar") and as such shall keep books for the registration and for the registration of transfer of Bonds as provided in this Indenture.

The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon surrender thereof to the Bond Registrar together with an assignment duly executed by the owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture in an aggregate principal amount equal to the principal amount of such Bond of the same series and maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Issuer shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be cancelled by the Trustee. The Issuer or the Trustee may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, and such charge shall be paid before any such new Bonds shall be delivered.

As to any Bond, the person in whose name the same 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, redemption premium, if any, or interest on any such Bond shall be made only to or upon the order of the owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid. Neither the Issuer, the Trustee, the Company nor the Bond Registrar shall be affected by any notice to the contrary.

Section 2.06 Delivery of Series 2013 Bonds; Application of Proceeds.

(a) Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee and upon written direction of the Issuer, the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof against payment therefor as directed by the Issuer as hereinafter in this Section 2.06 provided.

(b) Prior to the delivery by the Trustee of the Series 2013 Bonds, there shall be delivered to the Trustee:

(i) A copy, certified by the County Clerk of the Issuer, of the order or orders entered by the County Court of the Issuer authorizing, among other things, the execution and delivery of the Agreement and this Indenture and the issuance of the Series 2013 Bonds.

(ii) An executed counterpart of the Agreement, this Indenture, and the Supplemental Indenture pursuant to which the First Mortgage Bonds will be issued.

(iii) A certificate of the Company stating that the Company has approved the issuance of the Series 2013 Bonds, including the terms, manner of issuance, purchase price and disposition of the proceeds thereof.

(iv) A request and authorization to the Trustee on behalf of the Issuer, signed by the County Judge of the Issuer, to authenticate and deliver the Series 2013 Bonds to the purchasers therein identified upon payment to the Trustee, but for the account of the Issuer, of a sum specified in such request and authorization.

(v) A Note relating to the Series 2013 Bonds duly executed on behalf of the Company and assigned to the Trustee.

(vi) An opinion of nationally recognized counsel experienced on the subject of municipal bonds that the interest on the Series 2013 Bonds is excludable from gross income for federal income tax purposes, except for interest on any Series 2013 Bond for any period during which it is held by a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code.

(vii) A copy of the request filed by the Company with the Issuer for the redemption of all of the outstanding Prior Bonds.

(viii) The First Mortgage Bonds against receipt thereof by the Trustee.

(c) Upon the initial issuance and delivery of the Series 2013 Bonds, the Trustee shall deposit the proceeds from the sale of the Series 2013 Bonds with the Prior Trustee, which proceeds shall be applied, together with other moneys of the Company, solely to the redemption of all of the outstanding Prior Bonds within ninety (90) days after the date of initial issuance of the Series 2013 Bonds.

Section 2.07 Temporary Bonds. Until definitive Bonds are ready for delivery, there may be executed, and upon request of the Issuer, the Trustee shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, temporary printed, engraved, lithographed or typewritten Bonds, in the form of registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof, substantially of the tenor hereinabove set forth and with such appropriate omissions, insertions and variations as may be required.

Until definitive Bonds are ready for delivery, any temporary Bond may be exchanged at the principal corporate trust office of the Trustee, without charge to the holder thereof, for an equal aggregate principal amount of temporary Bonds of like tenor, of the same series and maturity and bearing interest at the same rate.

If temporary Bonds shall be issued, the Issuer shall cause the definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it at its principal corporate trust office of any temporary Bond, shall cancel the same and authenticate and deliver in exchange therefor at the principal corporate trust office of the Trustee, without charge to the holder thereof, a definitive Bond or Bonds of an equal aggregate principal amount, of the same series and maturity and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

Section 2.08 Mutilated, Destroyed or Lost Bonds. In case any Bond secured hereby shall become mutilated or be destroyed or lost, the Issuer shall cause to be executed, and the Trustee shall authenticate and deliver, a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed or lost, upon the holder's paying the reasonable expenses and charges of the Issuer and the Trustee in connection therewith and, in the case of a Bond destroyed or lost, his filing with the Trustee evidence satisfactory to it that such Bond was destroyed or lost, and of his ownership thereof, and furnishing the Issuer and the Trustee indemnity and/or security satisfactory to them.

Section 2.09 Destruction of Bonds. All Bonds paid, redeemed or purchased, either at or before maturity, shall be cancelled upon the payment, redemption or purchase of such Bonds and shall be delivered to the Trustee when such payment, redemption or purchase is made. All Bonds cancelled under any of the provisions of this Indenture shall be destroyed, in accordance with applicable law, by the Trustee, which shall execute a certificate in triplicate describing the Bonds so destroyed, and one executed certificate shall be filed with the Issuer and one with the Company and the other executed certificate shall be retained by the Trustee.

Section 2.10 Additional Bonds. Additional Bonds may be issued under and secured by this Indenture at one time or from time to time, in addition to the Series 2013 Bonds and, subject to the conditions hereinafter provided in this Section 2.10, for the purpose of providing funds for refunding any of the Bonds then Outstanding, including the payment of any redemption premium thereon, interest to accrue to the selected redemption date, any serial maturities to become due prior to the selected redemption date and any expenses in connection with such refunding (any such Additional Bonds to be identified as "Refunding Bonds"). Before any Additional Bonds shall be issued under the provisions of this Section 2.10, the County Court of the Issuer shall enter an order authorizing the issuance of such Additional Bonds, fixing the amount thereof and designating the Bonds Outstanding to be refunded with the proceeds of such Additional Bonds. Such Additional Bonds shall be designated, shall be stated to mature on such date or dates and in such year or years, shall bear interest, payable on such dates, at such rate or rates not exceeding the maximum rate then permitted by law, and may be made redeemable at such times and prices (subject to the provisions of Article III of this Indenture), as all may be provided by the resolution authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest or the provisions for redemption by sinking fund or otherwise, or as otherwise provided in the Agreement with regard to credit enhancement, if any, or additional first mortgage bonds of the Company to secure payments under the Agreement with respect to such Additional Bonds, if any, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 2013 Bonds.

Such Additional Bonds shall be executed substantially in the form and manner hereinabove set forth, with such appropriate variations, omissions and insertions as indicated in the preceding paragraph, and shall be deposited with the Trustee for authentication, but before such Additional Bonds shall be authenticated and delivered by the Trustee, there shall be delivered to the Trustee the following:

(a) A copy, certified by the County Clerk of the Issuer, of the order or orders entered by the County Court of the Issuer authorizing the issuance of such Additional Bonds in the amount specified therein, authorizing the acceptance and assignment of a Note relating to such Additional Bonds, and providing for the application of the proceeds thereof.

(b) A certificate of the Company stating that the Company has approved the issuance of such Additional Bonds, including the terms, manner of issuance, purchase price and disposition of the proceeds thereof, and the terms and conditions of any supplement to this Indenture entered into in connection with such Additional Bonds.

(c) An executed counterpart of any amendment to the Agreement and any supplement to this Indenture in connection with such Additional Bonds and, if applicable, credit enhancement or the delivery of a series of first mortgage bonds by the Company to secure payments under the Agreement with respect to such Additional Bonds.

(d) An opinion of nationally recognized counsel experienced on the subject of municipal bonds that the issuance of such Additional Bonds and the application of the proceeds of such Additional Bonds to the purpose or purposes described in the order or orders mentioned in clause (a) of this Section 2.10 will not result in the interest on any Bonds theretofore issued under this Indenture and then Outstanding or any portion thereof becoming included in gross income for federal income tax purposes, except for interest on any such Bond held by a "substantial user" of the Facilities or a "related person" as defined in Section 103(b)(13) of the 1954 Code (or any applicable successor provision of law).

(e) A Note relating to such Additional Bonds duly executed on behalf of the Company and assigned to the Trustee.

(f) A copy of the request filed by the Company with the Issuer for the refunding of such Bonds Outstanding, and a certified copy of the order or orders of the County Court of the Issuer with respect to such refunding.

(g) If applicable, a series of the Company's first mortgage bonds to secure payments under the Agreement with respect to such Additional Bonds and an executed counterpart of a supplemental indenture under the First Mortgage Bonds Indenture relating to such first mortgage bonds.

(h) If applicable, credit enhancement for such Additional Bonds.

(i) Written direction of the Issuer to the Trustee to authenticate such Additional Bonds.

Section 2.11 Book Entry System.

(a) Notwithstanding anything to the contrary herein, so long as a series of Bonds is being held under a book entry system, transfers of beneficial ownership of the Bonds of such series will be effected pursuant to rules and procedures established by the Securities Depository.

(b) As long as a book entry system is in effect for a series of Bonds, the Securities Depository Nominee will be recognized as the holder of the Bonds of such series for the purposes of (1) paying the principal of, redemption premium, if any, or interest on such Bonds, (2) if Bonds of such series are to be redeemed in part, selecting the portions of such Bonds to be redeemed, (3) giving any notice permitted or required to be given to holders under this Indenture, (4) registering the transfer of such Bonds, and (5) requesting any consent or other action to be taken by the holders of such Bonds, and for all other purposes whatsoever, and neither the Trustee nor the Issuer shall be affected by any notice to the contrary.

(c) Neither the Trustee nor the Issuer shall have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in any Bonds which are registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository and the Securities Depository Nominee, as holder of such Bonds.

(d) The Trustee shall pay all principal of, redemption premium, if any, and interest on Bonds issued under a book entry system, only to the Securities Depository, or the Securities Depository Nominee, as the case may be, for such Bonds, pursuant to a letter of representations or similar agreement with the Securities Depository and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of, redemption premium, if any, and interest on such Bonds. The Issuer and the Trustee acknowledge that the terms and provisions of such letter of representations or similar agreement shall govern in the event of any inconsistency between the provisions of this Indenture and such letter of representations or similar agreement.

(e) In the event that the Issuer determines, at the direction of the Company, to discontinue the book entry system of transfer for a series of Bonds, or that the interests of the beneficial owners of the Bonds of such series may be adversely affected if the book entry system is continued, then the Issuer shall notify the Securities Depository and the Trustee of such determination. In such event, the Issuer shall execute and the Trustee shall authenticate, register and deliver physical certificates in authorized denominations for Bonds of such series in exchange for the Bonds registered in the name of the Securities Depository Nominee, at the expense of the Company, to such Persons, and in such maturities and principal amounts, as may be designated by the Securities Depository, but without any liability on the part of the Issuer, the Company or the Trustee for the accuracy of such designation; provided, in addition, that any Bonds of such series shall be in registered form within the meaning of Section 149(a) of the Code.

(f) In the event that the Securities Depository for a series of Bonds discontinues providing its services, the Issuer, at the direction of the Company, shall either engage the services of another Securities Depository or deliver physical certificates in the manner described in clause (e) above; provided, in addition, that any Bonds of such series shall be in registered form within the meaning of Section 149(a) of the Code.

(g) In connection with any notice or other communication to be provided to the holders of a series of Bonds by the Issuer or by the Trustee with respect to any consent or other action to be taken by the holders, the Issuer or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

(h) The Series 2013 Bonds shall be issued initially in the form of one global certificate, without coupons, in the aggregate principal amount of the Series 2013 Bonds, under the book entry system maintained by The Depository Trust Company, New York, New York ("DTC"), as the initial Securities Depository, and shall be registered in the name of Cede & Co., as the initial Securities Depository Nominee for the Series 2013 Bonds. As long as the Series 2013 Bonds are maintained by DTC under its book entry system, all payments with respect to the principal of and interest on the Series 2013 Bonds and notices to the holders of the Series 2013 Bonds shall be made and given, respectively, to DTC pursuant to a letter of representations with DTC.

ARTICLE III

REDEMPTION OF BONDS BEFORE MATURITY

Section 3.01 Optional Redemption. The Series 2013 Bonds will not be subject to optional redemption by the Issuer prior to maturity except as set forth in Section 3.02 hereof.

Section 3.02 Extraordinary Optional Redemptions. The Series 2013 Bonds will be subject to optional redemption by the Issuer, at the written direction of the Company pursuant to Section 4.9 of the Agreement, in whole but not in part, at any time, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest thereon to the redemption date if:

(a) all or substantially all of the Facilities or the Plant shall have been condemned or taken by eminent domain; or

(b) the operation of the Facilities or the Plant shall have been enjoined or shall have otherwise been prohibited by an order, decree, rule or regulation of any court or of any federal, state or local regulatory body, administrative agency or other governmental body.

The Series 2013 Bonds will also be subject to optional redemption by the Issuer, at the written direction of the Company pursuant to Section 4.9 of the Agreement, in whole but not in part, at any time, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest thereon to the redemption date, if the Company shall have consolidated with or merged with or into another corporation, or a limited liability company, partnership or trust, or sold or otherwise transferred all or substantially all of its assets.

In addition, the Series 2013 Bonds will also be subject to optional redemption by the Issuer, at the written direction of the Company, pursuant to Section 4.9 of the Agreement, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date, if the Company delivers to the Trustee a written certificate (a) to the effect that (i) by reason of a change in use of the Facilities or any portion or portions thereof, the Company has been unable, after reasonable effort and absent such redemption or a defeasance of the Bonds, to obtain an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that a court, in a properly presented case, should decide that (A) Section 150 of the Code (or successor provision of similar import), does not prevent that portion of the Loan payable under the Agreement and attributable to interest on the Series 2013 Bonds from being deductible by the Company for federal income tax purposes, or (B) the compliance by the Company with the provisions of Treasury Department Regulations Section 1.142-2 (or successor provision of similar import) does not prevent interest on the Series 2013 Bonds from being excludable from gross income (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended ("1954 Code")) or (ii) the Company has abandoned (or has been determined by the Internal Revenue Service to have abandoned) its interest in the Facilities, (b) specifying that as a result of its inability to obtain such opinion of nationally recognized counsel experienced on the subject of municipal bonds or such abandonment, the Company has elected to prepay amounts due under the Agreement equal to the redemption price of the Series 2013 Bonds (or portion thereof) to be so redeemed, and (c) specifying the principal amount of the Series 2013 Bonds which the Company has determined to be so redeemed in order for the Company to retain its rights to such interest deductions and the interest payable on the Series 2013 Bonds to retain its excludability from gross income under Section 103 of the 1954 Code (other than for an owner who is a "substantial user" of the Facilities or a "related person" as those terms are used and defined in the 1954 Code) (which principal amount of the Series 2013 Bonds will be so redeemed).

Section 3.03 Special Mandatory Redemption. The Series 2013 Bonds are subject to mandatory redemption, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date, on the 180th day (or such earlier date as may be designated by the Company) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Company of an opinion of nationally recognized counsel experienced on the subject of municipal bonds obtained by the Company and rendered at the request of the Company, to the effect that as a result of a failure by the Company to observe any covenant, agreement or representation contained in the Agreement or the Issuer to observe any covenant, agreement or representation in this Indenture, the interest payable on the Series 2013 Bonds is not excludable for federal income tax purposes from the gross income of the owners thereof (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code) or would not be in the absence of such mandatory redemption. No determination by any court or administrative agency will be considered final unless the Company has received timely notice of and has had an opportunity to participate in the proceeding which resulted in such determination. The Series 2013 Bonds will be redeemed, either in whole or in part, in such principal amount that the interest payable on the Series 2013 Bonds remaining Outstanding after such redemption would not under Section 103 of the 1954 Code be included in the gross income of any owner thereof (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code).

Section 3.04 Notice of Redemption.

(a) In the case of an optional redemption by the Issuer, the Issuer, at the written direction of the Company pursuant to Section 4.9 of the Agreement, shall give written notice to the Trustee directing the Trustee to take all action necessary to redeem the outstanding Bonds in whole, or in part, as the case may be, and on a date specified in such notice, which redemption date shall be not less than thirty (30) nor more than ninety (90) days from the date the notice is received by the Trustee.

(b) At least twenty-five (25) days but not more than sixty (60) days before the redemption date of any Bonds, either in whole or in part, the Trustee shall cause a notice of any such redemption to be mailed, first class mail, postage prepaid, to all owners of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books hereinabove provided for. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued. Notwithstanding anything to the contrary set forth above, while any Bonds are in book-entry form, any notice of redemption required hereunder shall be given in accordance with the procedures of DTC or any successor or replacement Securities Depository.

(c) With respect to notice of redemption of any Bonds at the option of the Issuer (at the written direction of the Company pursuant to Section 4.9 of the Agreement), unless moneys sufficient to pay the principal of, redemption premium, if any, and interest on any such Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice, such notice may state that said redemption shall be conditioned upon the receipt of such moneys by the Trustee on or prior to the date fixed for such redemption. If such moneys shall not have been so received, such notice shall be of no force and effect, the Issuer shall not redeem such Bonds and the Trustee shall give notice to the owners of all Bonds which were to have been redeemed, in the manner in which the notice of redemption was given, that such moneys were not so received.

Section 3.05 Effect of Call for Redemption. On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption for such Bonds or portions of Bonds on such date, and moneys for payment of the redemption price and accrued interest to the redemption date being held by the Trustee in a separate account in the Bond Fund in trust for the holders of the Bonds or portions thereof to be redeemed, all as provided in this Indenture, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds or portions of Bonds shall cease to be entitled to any benefit or security under this Indenture, and the holder of such Bonds or portions of Bonds shall have no rights in respect thereof or in respect of this Indenture except to receive payment of the redemption price thereof and accrued and unpaid interest to the redemption date.

Section 3.06 Partial Redemption. (a) In case part but not all of an outstanding Bond shall be selected for redemption, the owner thereof or his attorney or legal representative shall present and surrender such Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Issuer shall execute and the Trustee shall authenticate and deliver to or upon the order of such owner or his attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond of the same series and maturity and bearing interest at the same rate.

(b) In addition, if less than all of the Bonds of a series shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Trustee by lot or in such other random manner as the Trustee in its discretion may determine.

Section 3.07 Funds in Trust; Unclaimed Funds. All moneys which the Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside, or deposited with the paying agents, for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the respective holders of such Bonds. But any moneys which shall be so set aside or deposited by the Trustee and which shall remain unclaimed by the holders of such Bonds for a period of one (1) year after the date on which such Bonds shall have become due and payable shall upon request in writing be paid to the Company or to such officer, board or

body as may then be entitled by law to receive the same, and thereafter the holders of such Bonds shall look only to the Company or to such officer, board or body, as the case may be, for payment and then only to the extent of the amount so received without any interest thereon, and the Trustee, the Issuer and the paying agents shall have no responsibility with respect to such moneys.

ARTICLE IV

GENERAL COVENANTS

Section 4.01 Payment of Principal, Redemption Premium, If Any, and Interest. The Issuer covenants that it will promptly pay the principal of, redemption premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof, but only from the payments made or to be made under the Agreement, pursuant to the First Mortgage Bonds and pursuant to any Note by the Company specifically pledged herein for such purposes.

Section 4.02 Performance of Covenants; Issuer. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Issuer represents that it is duly authorized under the Constitution and laws of the State of Arkansas, including particularly and without limitation, the Act, to issue the Bonds authorized hereby and to execute this Indenture, to accept, assign and pledge the Notes and the Agreement and the amounts payable under the Notes and to pledge the amounts hereby pledged in the manner and to the extent herein set forth; that it has the authority to direct the Trustee's acceptance of the First Mortgage Bonds; that all action on its part necessary for the issuance of the Series 2013 Bonds, including the execution and delivery of this Indenture and the Agreement, has been duly and effectively taken and that all action on its part necessary for the issuance of any Additional Bonds will be duly and effectively taken; that the Series 2013 Bonds in the hands of the owners thereof are and will be valid and enforceable obligations of the Issuer according to the terms thereof and hereof; and that any Additional Bonds in the hands of the owners thereof will be valid and enforceable obligations of the Issuer according to the terms thereof and hereof.

Section 4.03 Instruments of Further Assurance. The Issuer covenants that, at the direction and expense of the Company, it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better pledging and assigning unto the Trustee of all and singular the rights to payments under the Notes, the Agreement and any other income and other moneys pledged hereby to the payment of the principal of, redemption premium, if any, and interest on the Bonds. The Issuer further covenants that it will not create or suffer to be created any lien, encumbrance or charge upon the Facilities or any part thereof, the Notes or the Agreement except the lien of this Indenture.

Section 4.04 Recordation. The Issuer covenants that, at the direction and expense of the Company, it will cause all instruments as may be necessary to perfect and preserve the security interest created by this Indenture to be recorded or filed in such manner and in such places as may be required by law. Copies of all such instruments shall be provided to the Trustee. In the event the Issuer fails to record or file such instruments as may be necessary to preserve the security interest created by this Indenture, the Trustee, at the expense of the Company, is authorized to cause such recordings and filings to be made.

Section 4.05 Rights Under Agreement. The Agreement, a duly executed counterpart of which has been filed with the Trustee, sets forth the covenants and obligations of the Issuer and the Company, and reference is hereby made to the same for a detailed statement of said covenants and obligations of the Company thereunder; and the Issuer agrees that the Trustee in its own name or in the name of the Issuer may enforce all rights of the Issuer and all obligations of the Company under and pursuant to the Agreement for and on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

Section 4.06 Designation of Additional Paying Agents. The Issuer shall cause, at the direction of the Company, the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of additional paying agents and for providing for the payment of such of the Bonds as shall be presented when due at the principal corporate trust office of the Trustee, or its successor in trust hereunder, or at the principal office of said additional paying agents. All such funds held by said additional paying agents shall be held by each of them in trust and shall constitute a part of the trust estate and shall be subject to the security interest created hereby.

Section 4.07 Compliance by Issuer. The Issuer covenants that it will comply with all valid acts, rules, regulations and orders of any legislative, executive, judicial or administrative body applicable to the Facilities and the matters herein provided for.

Section 4.08 Continuing Disclosure. Pursuant to Section 4.11 of the Agreement, the Company has covenanted and agreed that it will assume all responsibility for compliance with the continuing disclosure requirements set forth in the Undertaking. Neither the Trustee nor the Issuer shall have any liability to the underwriters of the Bonds, the holders of the Bonds or any other Person with respect to such disclosure matters. Notwithstanding any other provision of this Indenture, failure of the Company to comply with the Undertaking shall not be considered an Event of Default under this Indenture; however, the Trustee may (and, at the request of the underwriters of the Bonds or the holders of at least twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, shall) or any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Company to comply with its obligations under Section 4.11 of the Agreement.

ARTICLE V

REVENUES AND FUNDS

Section 5.01 Source of Payment of Bonds. The Bonds authenticated and delivered hereunder are the obligations of the Issuer, and the Issuer shall make payments hereunder in respect of the principal of, redemption premium, if any, and interest on such Bonds. Such Bonds are not general obligations of the Issuer or the State of Arkansas or any county, municipality or political subdivision thereof, but are limited special obligations payable solely from revenues and proceeds derived from the Notes, the Agreement, the First Mortgage Bonds and as provided herein.

Section 5.02 Creation of Bond Fund. There is hereby created and established with the Trustee a trust fund to be designated "Jefferson County, Arkansas Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 Bond Fund" (hereinafter referred to as the "Bond Fund"). Moneys deposited therein shall be used to pay the principal of, redemption premium, if any, and interest on the Bonds as provided in this Indenture.

Section 5.03 Payments into the Bond Fund. There shall be deposited into the Bond Fund, as and when received, (a) all repayments of the Loan and interest thereon made pursuant to the Notes and the Agreement by the Company; (b) all payments, if any, made to the Trustee as holder of the First Mortgage Bonds; and (c) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement which are required, or which are accompanied by directions from the Company that such moneys are, to be paid into the Bond Fund. The Issuer hereby covenants and agrees that, so long as any of the Bonds are Outstanding, it will deposit, or cause to be paid to the Trustee for deposit in the Bond Fund for its account, sufficient sums from revenues derived pursuant to the Notes, the Agreement and the First Mortgage Bonds promptly to meet and pay the principal of, redemption premium, if any, and interest on the Bonds as the same become due and payable; provided, however, that nothing herein shall be construed as requiring the Issuer to use any funds or revenues from any source other than revenues derived pursuant to the Notes, the Agreement and the First Mortgage Bonds. The Trustee is authorized to receive at any time payments or prepayments from the Company pursuant to the Notes, the Agreement and the First Mortgage Bonds for deposit in the Bond Fund.

Section 5.04 Use of Moneys in the Bond Fund. Except as provided in this Indenture, moneys deposited into the Bond Fund shall be used solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds. Upon receipt of a written notice from the Company pursuant to Section 4.9 of the Agreement or in the case of a directed purchase of Bonds, upon the deposit of cash or Government Obligations in the Bond Fund sufficient, together with other amounts available therefor in the Bond Fund, to make the directed purchase of Bonds, the Issuer and the Trustee covenant and agree to take and cause to be taken the necessary steps to redeem or purchase such principal amount of Bonds as specified by the Company in such written notice; provided, however, that any available moneys in the Bond Fund may be used on direction of the Company to redeem a part of the Bonds Outstanding then redeemable or to purchase Bonds for cancellation so long as the Company is not in default with respect to any payments required pursuant to the Notes and the Agreement and to the extent said moneys are in excess of the amount required for payment of the Bonds theretofore matured or called for redemption and interest accrued and payable in respect of such Bonds Outstanding.

Section 5.05 Custody of the Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of, redemption premium, if any, and interest on the Bonds as the same become due and payable and to make said funds so withdrawn available to the paying agents hereunder at their principal office, for the purpose of paying said principal, redemption premium, if any, and interest, which authorization and direction the Trustee hereby accepts.

Section 5.06 Non-presentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption or purchase thereof, if funds sufficient to pay such Bond shall have been deposited in the Bond Fund or otherwise made available to the Trustee through deposit therein as provided in Section 5.03 hereof, all liability of the Issuer to the holder thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds within a separate account, subject to the provisions of Section 3.07 hereof, without liability for interest thereon, for the benefit of the holder of such Bond, which shall thereafter (subject to the provisions of Section 3.07 hereof) be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond.

Section 5.07 Moneys to Be Held in Trust. All moneys required to be deposited with or paid to the Trustee for the account of the Bond Fund under any provision of this Indenture shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the redemption of Bonds or the payment of Bonds including Bonds which are deemed to be paid within the meaning of Section 7.01 hereof, shall, while held by the Trustee, constitute part of the trust estate and be subject to the security interest created hereby.

Section 5.08 Repayment to the Company from the Bond Fund.

Any amounts remaining in the Bond Fund (other than moneys, if any, set aside as provided in Sections 3.05, 3.07, 5.06 and 7.01 hereof), after payment in full of the Bonds (or provision for payment thereof having been made in accordance with this Indenture), the fees and expenses of the Issuer, the Trustee and any additional paying agent and all other amounts required to be paid hereunder and under the Rebate Agreement (as confirmed in writing to the Trustee), shall be repaid to the Company as provided in Section 6.5 of the Agreement.

Section 5.09 Transfers to Rebate Fund.

Anything contained in this Indenture to the contrary notwithstanding (a) the "Rebate Fund" established under the Arbitrage Rebate Agreement by and among the Issuer, the Trustee and the Company, dated as of January 1, 2013, and related to the Series 2013 Bonds (the "Rebate Agreement") shall not be considered part of the "trust estate" created or pledged by this Indenture and (b) the Trustee shall be permitted, from time to time, to transfer money on deposit in the Bond Fund to the Rebate Fund established under the Rebate Agreement to satisfy the provisions of the Rebate Agreement.

ARTICLE VI

INVESTMENTS, ETC.

Section 6.01 Investment of Bond Fund Moneys.

Any moneys held in the Bond Fund shall be invested and reinvested by the Trustee, at the request of, and as orally directed by, the Company, confirmed in writing, in Government Obligations and/or other obligations or securities then permitted by law. Such investments may be made through the investment department of the Trustee. Any such investments shall be held by or under the control of the Trustee and shall be deemed at all times to be a part of the Bond Fund and the interest accruing thereon and any profit realized from such investments shall be credited to the Bond Fund and any loss resulting from such investments shall be charged to the Bond Fund. The Trustee, upon oral direction of the Company confirmed in writing, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in the Bond Fund is insufficient to pay the principal of, redemption premium, if any, or interest on the Bonds when due.

Section 6.02 Tax Covenants.

Neither the Issuer nor the Company will directly or indirectly use or permit the use of any proceeds of the Bonds or of the Facilities or any other funds of the Issuer or the Company, or take or omit to take any action that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code or result in the loss of the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds to the extent afforded under the 1954 Code or the Code. To that end, the Issuer and the Company will also comply with all requirements of the Code and the 1954 Code to the extent applicable to the Bonds. In the event that at any time the Issuer or the Company is of the opinion that for purposes of this Section 6.02 it is necessary to restrict or limit the yield on the investment of any moneys held by the Trustee under this Indenture, the Issuer or the Company shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

The Company, the Issuer and the Trustee covenant to comply with the provisions of the Rebate Agreement as the Rebate Agreement may be amended or supplemented in accordance with its terms, and in compliance therewith, the Issuer hereby agrees to establish with the Trustee a Rebate Fund under the Rebate Agreement, which shall not be a trust fund under this Indenture, and the terms of and provisions governing which shall be set forth in the Rebate Agreement; provided that said compliance shall not be required if the Issuer or the Company delivers to the Trustee an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that compliance is not required to preserve the exclusion from gross income for federal income tax purposes of interest paid on the Bonds. In the event of any conflict between the provisions of the Rebate Agreement and the provisions of this Indenture, the provisions of the Rebate Agreement shall govern.

The covenants of this Section 6.02 shall survive payment in full or defeasance of the Bonds. The obligations imposed upon the Company by this Section have been acknowledged and accepted by the Company in Section 4.10 of the Agreement.

ARTICLE VII

RELEASE OF LIEN

Section 7.01 Release of Lien. If, when any of the Bonds shall have become due and payable in accordance with their terms as provided in this Indenture or shall have been duly called for redemption or irrevocable instructions to call such Bonds for redemption shall have been given by the Issuer to the Trustee, the whole amount of the principal, redemption premium, if any, and interest so due and payable upon such Bonds shall be paid or sufficient cash or Government Obligations non-callable by the issuer thereof, the principal of and the interest on which when due will provide, without investment or reinvestment, sufficient cash, shall be held by the Trustee or the paying agents for such purpose under the provisions of this Indenture, then and in that case such Bonds shall cease to be secured by the lien of this Indenture, and the Trustee in such case, on demand of the Issuer or the Company and at the direction of the Company, shall release the lien of this Indenture with respect to such Bonds and shall execute such documents to evidence such release as may be reasonably required by the Issuer or the Company.

All moneys and obligations held by the Trustee or the paying agents pursuant to this Section shall be held in trust and applied to the payment, when due, of the principal of, redemption premium, if any, and interest on such Bonds.

Notwithstanding the satisfaction and discharge of this Indenture, the rights of the Trustee under Sections 9.02, 9.05 and 9.06 hereof, the obligations of the Trustee under Sections 5.04, 5.06 and 5.07 hereof and the obligations of the Company under Section 6.02 hereof, shall survive, anything in this Indenture to the contrary notwithstanding.

ARTICLE VIII

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 8.01 Events of Default. If any of the following events occur, it is hereby defined and declared to be and to constitute an "Event of Default":

- (a) failure to pay an installment of interest on any Bond after such interest has become due for a period of sixty (60) days; or
- (b) failure to pay when due the principal of, or redemption premium, if any, on any Bond, whether at the stated maturity thereof, or upon unconditional proceedings for redemption thereof, or upon the maturity thereof by acceleration; or
- (c) the occurrence of an "event of default" under Section 5.1(c) of the Agreement; or
- (d) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in this Indenture or in the Bonds, and continuance thereof for the period after notice specified in Section 8.13 hereof.

Section 8.02 Acceleration. Upon the occurrence of an Event of Default described in clause (a) or (b) of Section 8.01 hereof the Trustee may, and, upon the written request of the holders of not less than 25% in aggregate principal amount of Bonds then Outstanding, shall, by notice in writing delivered to the Issuer and the Company, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable; and such principal and interest shall thereupon become and be immediately due and payable.

Upon the occurrence and continuance of an Event of Default described in clause (c) of Section 8.01 hereof, and further upon the condition that, in accordance with the terms of the First Mortgage Bonds Indenture, the First Mortgage Bonds shall have become immediately due and payable pursuant to any provision of the First Mortgage Bonds Indenture, the Bonds shall, without further action, become and be immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and the Trustee shall give notice thereof in writing to the Issuer and the Company.

If, after the principal of the Bonds has been so declared to be due and payable, all arrears of interest and interest on overdue installments of interest (if lawful) at the rate per annum borne by the Bonds and the principal and redemption premium, if any, on all Bonds then Outstanding which shall have become due and payable otherwise than by acceleration, and interest on such principal (if lawful) at the rate per annum borne by the Bonds, and all other sums payable under this Indenture or upon the Bonds, except the principal of, and interest on, the Bonds which by such declaration shall have become due and payable, are paid by the Issuer, and the Issuer also performs all other things in respect of which it may have been in default hereunder and pays the reasonable charges of the Issuer, the Trustee, the Bondholders and any trustee appointed under law, including the Trustee's reasonable attorneys' fees, then, and in every such case, the Trustee shall annul such declaration and its consequences, and such annulment shall be binding upon all holders of Bonds issued hereunder; but no such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon. The Trustee shall forward a copy of any such annulment notice pursuant to this paragraph to the Issuer and the Company.

Section 8.03 Other Remedies. If any Event of Default occurs and is continuing, except as otherwise provided in Section 8.12 hereof, the Trustee, before or after declaring the principal of the Bonds immediately due and payable, may enforce each and every right granted to it under the Notes and the Agreement (including as a holder of the First Mortgage Bonds) and any supplements or amendments thereto for the benefit of the Bondholders. In exercising such rights and the rights given the Trustee under this Article VIII, the Trustee shall take such action as, in the judgment of the Trustee applying the standards described in Section 9.01(a) hereof, would best serve the interests of the Bondholders.

Section 8.04 Legal Proceedings by Trustee. If any Event of Default has occurred and is continuing, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in aggregate principal amount of all Bonds then Outstanding and receipt of indemnity and/or security to its satisfaction shall, in its own name:

- (a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders;
- (b) bring suit upon the Bonds; or
- (c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

No remedy conferred upon or reserved to the Trustee or to the Bondholders by the terms of this Indenture is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and every such right and power may be exercised from time to time as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Section 8.05 Right of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of Bonds then Outstanding shall have the right, upon providing the Trustee indemnity and/or security to its satisfaction, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law or of this Indenture or unduly prejudice the rights of minority Bondholders.

Section 8.06 Appointment of Receivers. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall, to the extent permitted by law, be entitled as a matter of right to the appointment of a receiver or receivers of the trust estate with such powers as the court making such appointment shall confer.

Section 8.07 Waiver. Upon the occurrence of an Event of Default, to the extent that such rights may then lawfully be waived, neither the Issuer, nor the State of Arkansas, nor any political subdivision thereof, nor anyone claiming through or under any of them, shall set up, claim, or seek to take advantage of any appraisal, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Indenture, and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

Section 8.08 Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article VIII shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys (except moneys held in separate accounts by the Trustee pursuant to Sections 3.05, 3.07, 5.06 and 7.01 hereof) in the Bond Fund shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST: To the payment of all amounts owed the United States of America under the Rebate Agreement;

SECOND: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

THIRD: To the payment to the persons entitled thereto of the unpaid principal of and redemption premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of all amounts owed the United States of America under the Rebate Agreement and then to the payment of the principal and interest then due upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article VIII then, subject to the provisions of subsection (b) of this Section 8.08 in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a) of this Section 8.08.

Whenever moneys are to be applied pursuant to the provisions of this Section 8.08, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all principal of, redemption premium, if any, and interest on all Bonds have been paid under the provisions of this Section 8.08 and all expenses and charges of the Issuer, the Trustee and any paying agents have been paid and all amounts owed the United States of America under the Rebate Agreement have been paid, any balance remaining in the Bond Fund shall be paid to the Company as provided in Section 5.08 hereof.

Section 8.09 Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or proceedings relating thereto; and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any holders of the Bonds; and any recovery of judgment shall be for the equal and ratable benefit of the holders of the Bonds then Outstanding.

Section 8.10 Rights and Remedies of Bondholders. No holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in Section 9.01(h) hereof, or of which by said subsection it is deemed to have notice, (b) such default shall have become an Event of Default and the holders of not less than 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) such holders have offered to the Trustee security and/or indemnity as provided in Section 9.01(l) hereof, and (d) the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name within a reasonable time; and such notification, request and offer of security and/or indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the holders of all Bonds then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of, redemption premium, if any, and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of, redemption premium, if any, and interest on each of the Bonds issued hereunder to the respective holders thereof at the time and place, from the source and in the manner in the Bonds expressed.

Section 8.11 Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, or otherwise, and such proceedings shall have been continued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 8.12 Waivers of Events of Default. The Trustee may in its discretion waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal, and shall do so upon the written request of the holders of (a) not less than two-thirds in aggregate principal amount of Bonds then Outstanding in respect of which default in the payment of principal and/or interest exists, or (b) more than 50% in aggregate principal amount of all Bonds then Outstanding in the case of any other default; provided, however, that there shall not be waived or rescinded (1) any Event of Default in the payment of the principal of any Bonds then Outstanding when due or (2) any default in the payment when due of the interest on any such Bonds, unless, prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate per annum borne by the Bonds in respect of which such default shall have occurred on overdue installments of interest, all arrears of payments of principal, with interest (to the extent permitted by law) at the rate per annum borne by the Bonds, when due, as the case may be, and all expenses of the Trustee in connection with such default shall have been paid or provided for, and in case of any such waiver or rescission, or in the case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

The provisions of this Section 8.12 are subject to the condition that any waiver of any "Default" under the First Mortgage Bonds Indenture and a rescission and annulment of its consequences shall constitute a waiver of the corresponding Event or Events of Default under Section 8.01(c) hereof and a rescission and annulment of the consequences thereof, but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

Section 8.13 Notice of Default under Section 8.01(d); Opportunity of Issuer and the Company to Cure Such Default. Anything herein to the contrary notwithstanding, no default under Section 8.01(d) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the Issuer and the Company by the Trustee or by the holder or holders of not less than 25% in aggregate principal amount of all Bonds Outstanding (with a copy to the Trustee) and the Issuer and the Company shall have had ninety days after receipt of such notice to correct said default or cause said default to be corrected within the applicable period; provided, however, if said default is such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the Company within the applicable period and diligently pursued until the default is corrected.

With regard to any alleged default concerning which notice is given to the Issuer and the Company under the provisions of this Section 8.13, the Issuer hereby grants the Company full authority for the account of the Issuer to perform any covenant or obligation alleged in said notice to constitute a default, in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do and perform any such things and acts and with power of substitution.

In the event that the Trustee fails to receive any amount when due under the Notes and the Agreement, the Trustee shall immediately give written notice to the Company and the Issuer specifying such failure.

ARTICLE IX

THE TRUSTEE

Section 9.01 Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of any Event of Default and after the curing or waiver of all events of default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent corporate trustee would exercise or use under the circumstances in the enforcement of a corporate indenture.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters relating to the trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Company), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or inaction in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture, or any other instrument required by this Indenture to secure the Bonds, or for insuring the Facilities or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if it were not the Trustee. To the extent permitted by law, the Trustee may also receive tenders and purchase in good faith Bonds from itself, including any department, affiliate or subsidiary, with like effect as if it were not the Trustee.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon owners of Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate of the Issuer, signed by its County Judge and attested by its County Clerk, or of the Company, signed by an Authorized Company Representative, as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in subsection (h) of this Section 9.01, or of which by said subsection it is deemed to have notice, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the County Clerk of the Issuer under the Issuer's seal to the effect that an order in the form therein set forth has been entered by the County Court of the Issuer as conclusive evidence that such order has been duly entered, and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and it shall not be answerable for other than its negligence or willful default.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the Issuer to cause to be made any of the payments to the Trustee required to be made by Article IV hereof or the existence of an Event of Default described in Section 8.01(d) hereof, unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer or by the holders of at least 25% in aggregate principal amount of Bonds then Outstanding; and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(i) Subject to the provisions of the Plant Agreements, at any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right fully to inspect all books, papers and records of the Issuer pertaining to the Facilities and the Bonds.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee, which the Trustee in its discretion may deem desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action referred to in Sections 8.02, 8.03, 8.04, 8.10, 8.12 or 9.04 hereof, the Trustee may require that satisfactory security and/or indemnity be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default by reason of any action so taken.

(m) All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required herein or by law. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be mutually agreed upon.

(n) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

Section 9.02 Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a first lien, with right of payment prior to payment on account of principal of, redemption premium, if any, and interest on any Bond, upon the trust estate for the foregoing fees, charges and expenses incurred by it.

Section 9.03 Notice to Bondholders if an Event of Default Occurs. If an Event of Default occurs of which the Trustee is by Section 9.01(h) hereof required to take notice or if notice of an Event of Default is given as in Section 9.01(h) provided, then the Trustee shall promptly give written notice thereof by registered or certified mail to each owner of Bonds then Outstanding.

Section 9.04 Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of the owners of the Bonds, the Trustee may intervene on behalf of the Bondholders and shall do so if requested in writing by the owners of at least 25% of the aggregate principal amount of Bonds then Outstanding. The rights and obligations of the Trustee under this Section 9.04 are subject to the approval of a court of competent jurisdiction.

Section 9.05 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, *ipso facto*, shall be and become successor Trustee hereunder and vested with all of the title to the trust estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 9.06 Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving thirty days' written notice to the Issuer and the Company, served personally or sent by registered or certified mail, and to each owner of Bonds then Outstanding, sent by registered or certified mail, and such resignation shall take effect at the end of such thirty days if a successor Trustee has been appointed at such time pursuant to Section 9.08 hereof, or upon the later appointment of a successor Trustee pursuant to Section 9.08 hereof.

Section 9.07 Removal of Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered (a) to the Trustee and to the Issuer and the Company, and signed by the owners of a majority in aggregate principal amount of Bonds then Outstanding, or (b) to the Trustee and the owners of all Bonds then Outstanding, and signed by the Issuer and the Company.

Section 9.08 Appointment of Successor Trustee Etc. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the Issuer at the direction of the Company. The Issuer shall cause notice of such appointment to be given in the same manner as the giving of notices of redemption as set forth in Section 3.04 hereof. If the Issuer fails to make such appointment promptly, a successor may be appointed by the owners of a majority in aggregate principal amount of Bonds then Outstanding. Every such successor Trustee appointed pursuant to the provisions of this Section 9.08 shall be a trust company or bank duly authorized to exercise trust powers and subject to examination by federal or state authorities, in good standing and having a reported capital, surplus and undivided profits of not less than \$75,000,000, if there be such an institution willing, qualified and able to accept the trusts upon reasonable and customary terms.

Section 9.09 Concerning Any Successor Trustee.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all of the estates, including the First Mortgage Bonds, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article IX, shall be filed and/or recorded by the successor Trustee in each recording office, if any, where this Indenture shall have been filed and/or recorded and the successor Trustee shall bear the cost thereof.

Section 9.10 Successor Trustee as Bond Registrar, Custodian of Bond Fund and Paying Agent.

In the event of a change of Trustee, the Trustee which has resigned or been removed shall cease to be Bond Registrar, custodian of the Bond Fund and a paying agent for principal of, redemption premium, if any, and interest on the Bonds, and the successor Trustee shall become such Bond Registrar, custodian of the Bond Fund and a paying agent.

Section 9.11 Trustee and Issuer Required to Accept Directions and Actions of Company.

Whenever, after a reasonable and timely request by the Company, the Issuer shall fail, refuse or neglect to give any direction to the Trustee or to require the Trustee to take any action which the Issuer is required to have the Trustee take pursuant to the provisions of the Agreement or this Indenture, the Company as agent of the Issuer may give any such direction to the Trustee or require the Trustee to take any such action, and the Trustee is hereby irrevocably empowered and directed to accept such direction from the Company as sufficient for all purposes of this Indenture. The Company shall have the right as agent of the Issuer to cause the Trustee to comply with any of the Trustee's obligations under this Indenture to the same extent that the Issuer is empowered so to do.

Certain actions or failures to act by the Issuer under this Indenture may create or result in an Event of Default under this Indenture and the Company, as agent of the Issuer, may to the extent permitted by law perform any and all acts or take such action as may be necessary for and on behalf of the Issuer to prevent or correct said Event of Default and the Trustee shall take or accept such performance by the Company as performance by the Issuer in such event.

The Issuer hereby makes, constitutes and appoints the Company irrevocably as its agent to give all directions, do all things and perform all acts provided, and to the extent so provided, by this Section 9.11.

Section 9.12 No Transfer of Notes Held by the Trustee. Except as required to effect an assignment to a successor Trustee, the Trustee shall not sell, assign or transfer the Agreement, the Notes and the First Mortgage Bonds, and the Trustee is authorized to enter into an agreement with the Company to such effect.

Section 9.13 Insurance. The Trustee shall have no duty or responsibility to receive, retain or review any policies of insurance in connection with the Facilities.

ARTICLE X

INDENTURES SUPPLEMENTAL HERETO

Section 10.01 Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Trustee may, without the consent of, or notice to, any of the Bondholders, enter into such indenture or indentures supplemental to this Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(a) to set forth any or all of the matters in connection with the issuance of Additional Bonds as provided in Section 2.10 hereof;

- (b) to cure any ambiguity, defect or omission in this Indenture, or to otherwise amend this Indenture, in such manner as shall not in the opinion of the Trustee impair the security hereof or adversely affect the Bondholders;
- (c) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authorities that may lawfully be granted or conferred upon the Bondholders or the Trustee;
- (d) to add additional covenants of the Issuer, or to surrender any right or power herein conferred upon the Issuer;
- (e) to subject to this Indenture additional revenues, properties or collateral;
- (f) to modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America, and, if they so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;
- (g) to provide different authorized denominations for the Bonds;
- (h) to provide for an uncertificated registration system for the Bonds;
- (i) to evidence the succession of a new Trustee hereunder; and
- (j) to make such changes as may be necessary to comply with the provisions of the 1954 Code or the Code relating to the exclusion of interest on the Bonds from gross income thereunder or to the deductibility by the Company of interest payments.

Section 10.02 Supplemental Indentures Requiring Consent of Bondholders. Exclusive of supplemental indentures covered by Section 10.01 hereof and subject to the terms and provisions contained in this Section 10.02, and not otherwise, the holders of not less than 50% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other indentures or indentures supplemental hereto as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular way, any of the terms or provisions contained in this Indenture or in any indenture supplemental hereto; provided, however, that nothing in this Section 10.02 contained shall permit, or be construed as permitting (a) a change in the maturity of the principal or the interest on any Bond issued hereunder, or (b) a reduction in the principal amount of, or redemption premium on, any Bond or Bonds or the rate or rates of interest thereon, or (c) a privilege or priority of any Bond or Bonds then Outstanding over any other Bond or Bonds then Outstanding, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indentures or (e) the holder of any Bond then outstanding to be deprived of the lien created by this Indenture, unless, in each case, holders of all Bonds then Outstanding consent to such supplemental indentures.

If at any time the Issuer shall request the Trustee to enter into any such supplemental indentures for any of the purposes of this Section 10.02, the Trustee shall, upon being satisfactorily secured and/or indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indentures to be given in the same manner as the giving of notices of redemption as set forth in Section 3.04 hereof. Such notice shall briefly set forth the nature of the proposed supplemental indentures and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty days or such longer period as shall be prescribed by the Issuer following the giving of such notice, the holders of not less than 50% in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such supplemental indentures 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 Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indentures as in this Section 10.02 permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith and without the necessity for notation on the Bonds then Outstanding.

Anything herein to the contrary notwithstanding, a supplemental indentures under this Article X which affects the rights of the Company shall not become effective unless and until the Company shall have consented to the execution and delivery of such supplemental indentures. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indentures together with a copy of the proposed supplemental indentures to be mailed by certified or registered mail to the Company at least fifteen days prior to the giving of notice of the proposed execution of such supplemental indentures as provided in this Section 10.02. The Company shall be deemed to have consented to the execution and delivery of any such supplemental indentures if the Trustee does not receive a letter of protest or objection thereto signed by or on behalf of the Company on or before 4:30 P.M., Arkansas time, on the fifteenth day after the Company's receipt of said notice and a copy of the proposed supplemental indentures.

Section 10.03 Trustee Authorized to Join in Supplements; Reliance on Counsel; Required Opinion of Bond Council.

The Trustee is authorized to join with the Issuer in the execution and delivery of any supplemental indentures permitted by this Article X and in so doing shall be fully protected by an opinion of counsel, who may be counsel for the Issuer or the Company, that such supplemental indentures is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding supplemental indentures have been done. In addition, the Trustee may, as a condition of such execution and delivery, obtain an opinion of nationally recognized counsel experienced on the subject of municipal bonds to that effect and to the effect that such action does not adversely affect the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds. All such opinions shall be provided solely at the Company's expense.

ARTICLE XI

AMENDMENT OF AGREEMENT AND NOTE

Section 11.01 Amendments, Etc., to Agreement Not Requiring Consent of Bondholders. The Issuer and the Trustee shall, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Agreement and the Notes which may be entered into pursuant to Section 2.10 hereof or in connection with (a) implementation of a requirement of the Agreement or this Indenture, (b) the curing of an ambiguity or formal defect or omission, (c) the substitution or addition of facilities to the Facilities or in connection with identifying of the Facilities more precisely, or (d) any other change which, in the judgment of the Trustee, is not to the prejudice of the Trustee or the Bondholders; provided, however, in each such case, that as a condition of such consent, the Trustee may require an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that any such proposed amendment, change or modification is not to the prejudice of the Trustee or the Bondholders (if pursuant to clause (d) hereof), to the effect that any such proposed amendment, change or modification will comply with the provisions of this Article XI and to the effect that such amendment, change or modification does not adversely affect the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds.

Section 11.02 Amendments, Etc., to Agreement Requiring Consent of Bondholders Except for the amendments, changes or modifications as provided in Section 11.01 hereof, neither the Issuer nor the Trustee shall consent to any other amendment, change or modification of the Agreement or the terms of the Notes without the giving of notice and the written approval or consent of the holders of not less than 50% in aggregate principal amount of the Bonds then Outstanding given and procured as in this Section 11.02 provided. If at any time the Company or the Issuer, at the direction of the Company, shall request the consent of the Trustee to any such proposed amendment, change or modification of the Agreement or the terms of the Notes, the Trustee shall, upon being satisfactorily secured and/or indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 10.02 hereof with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file with the Trustee for inspection by all Bondholders. In addition, the Trustee may, as a condition to the effectiveness of such proposed amendment, change or modification of the Agreement or the terms of the Notes, obtain an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that any such proposed amendment, change or modification will comply with the provisions of this Article XI and to the effect that such proposed amendment, change or modification does not adversely affect the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds.

Section 11.03 Trustee Authorized to Join in Amendments; Reliance on Counsel. The Trustee is authorized to join with the Issuer in the execution and delivery of any amendment permitted by this Article XI and in so doing shall be fully protected by an opinion of counsel, who may be counsel for the Issuer or the Company, that such amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done. All of the opinions of counsel required by this Article XI shall be obtained solely at the Company's expense.

ARTICLE XII

MISCELLANEOUS

Section 12.01 Consents, Etc., of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely: the fact and date of the execution by any person of any such writing may be proved by the certification of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution.

Section 12.02 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be inferred from this Indenture, or the Bonds, is intended or shall be construed to give to any person or company other than the Company, the parties hereto, and the holders of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenants, conditions and provisions herein contained. This Indenture and all of the covenants, conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the Company, the parties hereto and the holders of the Bonds as herein provided.

Section 12.03 Severability. If any provision of this Indenture shall be held or deemed to be, or shall in fact be, illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 12.04 Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: if to the Issuer, at Jefferson County Courthouse, 101 West Baroque Street, Pine Bluff, Arkansas 71601, Attention: County Judge; if to the Trustee, at 501 Main Street, Pine Bluff, Arkansas 71601, Attention: Corporate Trust Department; and if to the Company, at 639 Loyola Avenue, New Orleans, Louisiana 70113, Attention: Treasurer. A duplicate copy of each notice required to be given hereunder by either the Issuer or the Trustee shall also be given to the Company, and a duplicate copy of each notice required to be given hereunder by the Trustee to either the Issuer or the Company shall also be given to the other. The Issuer, the Company and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 12.05 Trustee as Paying Agent and Bond Registrar. The Trustee is hereby designated and agrees to act as a paying agent and Bond Registrar for and in respect of the Bonds.

Section 12.06 Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be a Saturday, Sunday, or, in the city of payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of principal of, redemption premium, if any, and interest need not be made on such date but may be made on the next succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest on such payment shall accrue for the period after such date.

Section 12.07 Counterparts. This Indenture 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 12.08 Applicable Provisions of Law. This Indenture shall be governed by and construed in accordance with the laws of the State of Arkansas.

Section 12.09 Captions. The captions or headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Indenture.

Section 12.10 No Liability of Officers. No covenant or agreement contained in the Bonds or this Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the Issuer in his individual capacity, and neither the members of the governing body of the Issuer nor any official executing the Bonds or this Indenture shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds or the execution and delivery of this Indenture.

Section 12.11 Voting of First Mortgage Bonds. The Trustee shall, as the holder of the First Mortgage Bonds, attend such meeting or meetings of holders of First Mortgage Bonds issued under the First Mortgage Bonds Indenture or, at its option, deliver its proxy in connection therewith, as it relates to matters with respect to which it is entitled to vote or consent. So long as no Event of Default hereunder shall have occurred and be continuing, either at any such meeting or meetings, or otherwise, when the consent of the holders of the First Mortgage Bonds issued under the First Mortgage Bonds Indenture is sought without a meeting, the Trustee shall vote as the holder of the First Mortgage Bonds, or shall consent with respect thereto, proportionately with what the Trustee reasonably believes will be the vote or consent of the holders of all other first mortgage bonds of the Company then outstanding under the First Mortgage Bonds Indenture the holders of which are eligible to vote or consent; provided, however, that the Trustee shall not vote as such holder in favor of, or give its consent to, any amendment or modification of the First Mortgage Bonds Indenture that is correlative to any amendment or modification of this Indenture referred to in Section 10.02 hereof without the prior consent and approval, obtained in the manner prescribed in said Section 10.02, of Bondholders which would be required under said Section 10.02 for such correlative amendment or modification of this Indenture.

For purposes of this Section 12.11, the Trustee may conclusively rely on a bondholder's certificate delivered to the Trustee, signed by the temporary chairman, the temporary secretary, the permanent chairman, the permanent secretary, or an inspector of votes at any meeting or meetings of bondholders under the First Mortgage Bonds Indenture, or by the First Mortgage Bonds Trustee in the case of consents of such bondholders which are sought without a meeting, which states what the signer thereof reasonably believes will be the proportionate votes or consents of the holders of all first mortgage bonds (other than the First Mortgage Bonds delivered to and held by the Trustee pursuant to this Indenture) outstanding under the First Mortgage Bonds Indenture and counted for the purposes of determining whether such bondholders have approved or consented to the matter put before them.

Any action taken by the Trustee in accordance with the provisions of this Section 12.11 shall be binding upon the Issuer and the Bondholders.

Section 12.12 Surrender of First Mortgage Bonds. The Trustee shall surrender First Mortgage Bonds to the First Mortgage Bonds Trustee in accordance with the provisions of Section 3.5(d) and (e) of the Agreement.

Section 12.13 Notice to First Mortgage Bonds Trustee. In the event that a payment on the First Mortgage Bonds shall have become due and payable and shall not have been fully paid after the expiration of the applicable grace period, the Trustee shall immediately give notice thereof to the First Mortgage Bonds Trustee specifying the amount of funds required to make such payment. In the event that the Bonds (or any portion thereof) are to be redeemed pursuant to any provisions of this Indenture requiring mandatory redemption of such Bonds (other than at the direction of the Company), the Trustee shall forthwith give notice thereof to the First Mortgage Bonds Trustee specifying the principal amount of Bonds so to be redeemed and the redemption date therefor. Any such notice given by the Trustee shall be signed by its President, a Vice President or a Trust Officer thereof. The Trustee shall incur no liability for failure to give any such notice and such failure shall have no effect on the obligations of the Company on the First Mortgage Bonds or on the rights of the Trustee or of the bondholders.

IN WITNESS WHEREOF, Jefferson County, Arkansas has caused these presents to be signed in its name and behalf by its County Judge, and its official seal to be hereunto affixed and attested by its County Clerk, and to evidence its acceptance of the trusts hereby created Simmons First Trust Company, National Association, as Trustee, has caused these presents to be signed in its name and behalf and its official seal to be hereunto affixed and attested by its duly authorized officers, all as of the day and year first above written.

JEFFERSON COUNTY, ARKANSAS

(SEAL)

By /s/ Dutch King
County Judge

ATTEST:

/s/ Patricia Royal Johnson
County Clerk

SIMMONS FIRST TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

(SEAL)

By /s/ Glenda L. Dean
Corporate Trust Officer

JEFFERSON COUNTY, ARKANSAS

and

ENERGY ARKANSAS, INC.

LOAN AGREEMENT

Dated as of January 1, 2013

Relating to \$54,700,000 Pollution Control
Revenue Refunding Bonds
(Energy Arkansas, Inc. Project)
Series 2013

THIS LOAN AGREEMENT, dated as of January 1, 2013, by and between JEFFERSON COUNTY, ARKANSAS, a political subdivision under the Constitution and laws of the State of Arkansas (the "Issuer"), and ENERGY ARKANSAS, INC., a corporation organized and existing under the laws of the State of Arkansas, and formerly known as Arkansas Power & Light Company (the "Company"), evidencing the agreement of the parties hereto.

In consideration of the respective representations and agreements hereinafter contained, the parties hereto agree as follows (provided that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not be a general debt, liability or obligation of the Issuer, or of the State of Arkansas or any political subdivision thereof but shall be payable solely out of the revenue and proceeds derived from this Agreement and the Notes (hereinafter defined), the First Mortgage Bonds (hereinafter defined) and the sale of the Bonds referred to herein).

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the recitals hereto and in the Indenture. In addition, the following words and phrases shall have the following meanings:

Agreement

"Agreement" means this Loan Agreement and any amendments and supplements hereto.

Authorized Company Representative

"Authorized Company Representative" means the President, any Vice President, the Treasurer, the Secretary, any Assistant Treasurer or any Assistant Secretary of the Company or the person or persons at the time designated to act on behalf of the Company by any one of said officers, such designation in each case to be evidenced by a certificate furnished to the Issuer and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Company by said officer.

Event of Default

"Event of Default" means any of the occurrences enumerated in Section 5.1 of this Agreement.

Facilities

"Facilities" means the pollution control facilities at the Plant which were refinanced, in whole or in part, with the proceeds of the Prior Bonds.

First Mortgage Bonds

"First Mortgage Bonds" means the series of bonds issued and delivered under the First Mortgage Bonds Indenture and held by the Trustee pursuant to Section 3.5 of this Agreement.

First Mortgage Bonds Indenture

"First Mortgage Bonds Indenture" means the Company's Mortgage and Deed of Trust, dated as of October 1, 1944, between the Company and the First Mortgage Bonds Trustee, and, as to property, real or personal, situated or being in Missouri, Marvin A. Mueller (The Bank of New York Mellon Trust Company, National Association, successor), as Missouri co-trustee, as heretofore and hereafter amended and supplemented, including the Seventy-second Supplemental Indenture, dated as of January 1, 2013, pursuant to which the First Mortgage Bonds will be issued.

First Mortgage Bonds Trustee

"First Mortgage Bonds Trustee" means Deutsche Bank Trust Company Americas (as successor to Guaranty Trust Company of New York).

Indenture

"Indenture" means the Trust Indenture, dated as of January 1, 2013, relating to the Bonds, between the Issuer and the Trustee pursuant to which the Bonds are authorized to be issued, and including any indenture supplemental thereto.

Independence County Bonds

"Independence County Bonds" means the Independence County, Arkansas Pollution Control Revenue Refunding Bonds (Energy Arkansas, Inc. Project) Series 2013, in the aggregate principal amount of \$45,000,000, being issued and delivered simultaneously with the issuance and delivery of the Series 2013 Bonds.

Loan

"Loan" means any loan to be made by the Issuer to the Company of the proceeds (which shall be deemed to include the underwriting discount, if any, and original issue discount, if any) of the sale of the Bonds, exclusive of any accrued interest paid by the initial purchasers of the Bonds upon the delivery thereof.

Maturity Date

"Maturity Date" means October 1, 2017.

Person

"Person" means any natural person, firm, partnership, limited liability company, association, corporation, trust or public body.

Notes

"Notes" means the non-negotiable promissory notes of the Company issued pursuant to Section 3.2 of this Agreement, in the form set forth in Exhibit A hereto.

Plant

"Plant" means the electric generating plant jointly owned by the Company and others located within the boundaries of the Issuer near Redfield, Arkansas and known as the White Bluff Steam Electric Generating Station.

Plant Agreements

"Plant Agreements" means all of the contracts relating to the ownership, construction and operation of the Plant, as from time to time amended or supplemented.

Prior Bonds

"Prior Bonds" means the \$54,700,000 aggregate principal amount outstanding of Jefferson County, Arkansas Pollution Control Revenue Refunding Bonds (Energy Arkansas, Inc. Project) Series 2006.

Project

"Project" means the interest of the Company in the Facilities on the respective dates of issuance of (a) the Issuer's Pollution Control Revenue Bonds, Series 1977 (Arkansas Power & Light Company Project) (the "Series 1977 Bonds"), in the aggregate principal amount of \$45,500,000, and (b) the Issuer's Pollution Control Revenue Bonds, Series 1978 (Arkansas Power & Light Company Project) (the "Series 1978 Bonds"), in the aggregate principal amount of \$9,200,000.

Series 2013 Bonds

"Series 2013 Bonds" means the bonds authorized to be issued under Section 2.02 of the Indenture.

Undertaking

"Undertaking" shall mean the Rule 15c2-12 undertaking of the Company, dated as of the date of issuance of the Bonds, as originally executed by the Company and as it may be amended from time to time in accordance with the terms thereof.

ARTICLE II

ACQUISITION AND COMPLETION OF THE FACILITIES;

ISSUANCE OF THE BONDS AND ADDITIONAL BONDS

Section 2.1 Acquisition and Completion of the Facilities. The Company represents that the acquisition, construction and equipping of the Facilities have been completed.

Section 2.2 Issuance of Series 2013 Bonds; Additional Bonds. In order to provide funds to currently refund all of the outstanding Prior Bonds, the Issuer agrees that it will initially issue and deliver the Series 2013 Bonds to the purchasers thereof at a price to be approved in advance by the Company and apply and deposit the proceeds thereof in accordance with the terms of the Indenture. The Company has reviewed the Indenture and finds the Indenture to be satisfactory in form and substance to the Company and agrees to comply with the provisions thereof applicable to the Company.

If no Event of Default shall have occurred and be continuing, the Issuer will authorize the sale of and use its best efforts to set from time to time, to the extent permitted by law, Additional Bonds, in amounts specified by the Company and upon the terms and conditions provided in the Indenture, for any purpose permitted by the Indenture and the Act. The Issuer will deposit the proceeds of any such Additional Bonds with the Trustee in accordance with the terms of the Indenture.

ARTICLE III

LOAN BY ISSUER; PROVISIONS FOR PAYMENT

Section 3.1 Loan by Issuer. The Issuer hereby agrees to make the initial Loan to the Company for the purpose of currently redeeming all of the outstanding Prior Bonds within 90 days after the date of initial issuance of the Series 2013 Bonds. The Company hereby agrees to cause the proceeds of the Series 2013 Bonds to be applied exclusively to the foregoing purpose and to cause such Prior Bonds to be redeemed within 90 days after the date of initial issuance of the Series 2013 Bonds. In addition, the Company agrees to pay any and all amounts required in addition to the proceeds of the Series 2013 Bonds to currently redeem such Prior Bonds as set forth in this Section 3.1 including, but not limited to, principal and interest owed on the Prior Bonds.

The Issuer hereby agrees to make additional Loans to the Company from time to time from the proceeds of any Additional Bonds issued by the Issuer pursuant to the Indenture.

Section 3.2 Delivery of Notes by Company; Payment Obligation of the Company; Other Amounts Payable. (a) In order to evidence any Loan and the repayment obligation of the Company, the Company shall execute and deliver for each series of Bonds a Note in a principal amount equal to the aggregate principal amount of, and having the same stated rate or rates of interest as, such series of Bonds. Each Note shall be dated the date of the initial issuance of, and mature on the same maturity date or dates as, the series of Bonds issued concurrently therewith.

(b) Pursuant to the Notes, the Company agrees to pay or cause to be paid to the Issuer, in immediately available funds, a sum equal to the aggregate principal amount of each series of Bonds issued under the Indenture, redemption premium, if any, and interest on the unpaid balances thereof at the rates payable by the Issuer on such Bonds at the times such principal, redemption premium, if any, and interest are payable by the Issuer irrespective of any original issue discount with respect to such Bonds. If, at the date any payment on such Bonds is due, there are any available moneys in the Bond Fund, such moneys shall be credited against said payment, first in respect of interest and then, to the extent of remaining moneys, in respect of principal.

(c) The Company shall also pay (i) the fees, charges and reasonable expenses of the Trustee and any paying agents under the Indenture, such fees, charges and reasonable expenses to be paid directly to the Trustee or paying agents for their respective accounts as and when such fees, charges and reasonable expenses become due and payable, (ii) any expenses and costs incurred or to be incurred by virtue of the issuance and sale of the Bonds, (iii) any expenses in connection with any redemption of the Bonds, (iv) any expenses in connection with the redemption of the Prior Bonds, (v) the fees, charges and reasonable expenses of the Issuer, and (vi) any amounts owed under the Rebate Agreement.

Section 3.3 Obligation of the Company Unconditional. The obligation of the Company to make the payments as provided in this Agreement and the Notes and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional notwithstanding failure of the title to the Facilities or any part thereof, loss of title to (or the temporary use of) the Facilities by virtue of the exercise by others of the power of eminent domain, any acts or circumstances that may constitute failure of consideration, destruction or damage to the Facilities, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of Arkansas or any political subdivision of either thereof or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement. Nothing contained in this Section 3.3 shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained; and, in the event the Issuer should fail to perform any such agreement on its part, the Company may deem necessary to compel performance or recover its damages for nonperformance so long as such action shall not violate the agreements on the part of the Company contained in the preceding sentence, but in no event shall the Company be entitled to reduce the amounts payable under the Notes and Section 3.2 hereof. The Company may, however, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving third persons which the Company deems reasonably necessary in order to secure or protect its right of possession, occupancy and use of the Facilities hereunder, and in such event the Issuer hereby agrees to cooperate fully with the Company and to take all action necessary to effect the substitution of the Company for the Issuer in any such action or proceeding if the Company shall so request.

Section 3.4 Assignment and Pledge of Payments and Rights Under the Notes and this Agreement.

Section 3.5 The Issuer shall assign and pledge to the Trustee as security under the Indenture all rights, title and interests of the Issuer in and to (a) the Notes and all payments thereunder, (b) this Agreement and all moneys receivable hereunder (except for payments under Sections 4.3 and 5.3 hereof), and (c) the First Mortgage Bonds (including the right to receive the First Mortgage Bonds) under this Agreement. The Company assents to such assignment and hereby agrees that, as to the Trustee, its obligations to make such payments shall be absolute and shall not be subject to any defense or any right of set-off, counterclaim or recoupment arising out of any breach by the Issuer or the Trustee of any obligation to the Company, whether hereunder or otherwise, or out of any indebtedness or liability at any time owing to the Company by the Issuer or the Trustee.

Section 3.5 Issuance, Delivery and Surrender of First Mortgage Bonds.

(a) The obligation of the Company set forth in Section 3.2 of this Agreement to make the payments required therein with respect to the Loan relating to the Series 2013 Bonds will be evidenced in part by the First Mortgage Bonds. The Company shall issue and deliver to the Issuer First Mortgage Bonds as provided in subsection (b) of this Section 3.5.

(b) Concurrently with the issuance and delivery by the Issuer of the Series 2013 Bonds, and in order to evidence in part the obligations of the Company under Section 3.2 (a) and (b) of this Agreement to repay those installments of the loan from the Issuer which correspond to payment of the principal of the Series 2013 Bonds, with the excess of the principal amount thereof to be applied to the payment of accrued interest on the Series 2013 Bonds, the Company shall issue and deliver to the Issuer the First Mortgage Bonds (i) maturing on the Maturity Date, (ii) in a principal amount equal to the principal amount of the Series 2013 Bonds plus eight (8) months (8/12) of the annual interest on the Series 2013 Bonds, (iii) containing redemption provisions correlative to the redemption provisions of the Indenture relating to the Series 2013 Bonds requiring mandatory redemption thereof, (iv) requiring payments to be made to the Trustee for the account of the Issuer, and (v) bearing no interest except as otherwise provided in the First Mortgage Bonds Indenture.

(c) The obligation of the Company to make any payment of the principal or interest on the First Mortgage Bonds, whether at maturity, upon redemption or otherwise, shall be reduced by the amount of any reduction under the Indenture of the amount of the corresponding payment required to be made by the Issuer thereunder in respect of the principal or interest on the Series 2013 Bonds, all in accordance with the provisions of the First Mortgage Bonds Indenture.

(d) The Issuer shall not sell, assign or transfer the First Mortgage Bonds, except to the extent provided in Section 3.4 hereof. In view of the pledge and assignment referred to in said Section 3.4, the Issuer agrees that (i) in satisfaction of the obligations of the Company set forth in paragraph (b) of this Section 3.5 with respect to the Series 2013 Bonds, the First Mortgage Bonds shall be issued and delivered to, registered in the name of, and held by, the Trustee for the benefit of the owners and holders from time to time of the Series 2013 Bonds; (ii) the Indenture shall provide that the Trustee shall not sell, assign or transfer the First Mortgage Bonds except to a successor trustee under the Indenture and shall surrender First Mortgage Bonds to the First Mortgage Bonds Trustee in accordance with the provisions of subsection (c) of this Section 3.5; and (iii) the Company may take such actions as it shall deem to be desirable to effect compliance with such restrictions on transfer, including the placing of an appropriate legend on each First Mortgage Bond and the issuance of stop-transfer instructions to the First Mortgage Bonds Trustee or any other transfer agent under the First Mortgage Bonds Indenture. Any action taken by the Trustee in accordance with the provisions of Article VIII of the Indenture shall be binding upon the Company.

(e) At the time any Series 2013 Bonds cease to be outstanding (other than by reason of the payment or redemption of First Mortgage Bonds and other than by reason of the applicability of clause (c) in the definition of "Outstanding"), the Issuer shall cause the Trustee to surrender for cancellation to the First Mortgage Bonds Trustee First Mortgage Bonds in an aggregate principal amount equal to the aggregate principal amount of the Series 2013 Bonds which so cease to be outstanding, plus a principal amount of such First Mortgage Bonds equal to eight (8) months (8/12) of the annual interest payable in respect of such Series 2013 Bonds.

(f) For the purpose of determining whether or not any payment of the principal or interest on the First Mortgage Bonds shall have been made in full, any moneys paid by the Company in respect of the First Mortgage Bonds which shall have been withdrawn by the Trustee from the Bond Fund pursuant to Section 9.02 of the Indenture shall be deemed to have been paid by the Company to the Trustee pursuant to Section 3.2(c) hereof and not to have been paid by the Company in respect of the First Mortgage Bonds.

ARTICLE IV

SPECIAL COVENANTS

Section 4.1 Warranty of Suitability by the Issuer. The Issuer makes no warranty either express or implied as to the Facilities, including their suitability for the Company's purposes or needs.

Section 4.2 Use of Facilities. The Issuer does hereby covenant and agree that it will not take any action, other than pursuant to the exercise of its rights under Section 5.2 of this Agreement, to prevent the Company or others from having possession and enjoyment of the Facilities during the term of this Agreement and will, at the request of the Company and at the Company's cost, reasonably cooperate with the Company in order that the Company may have possession and enjoyment of the Facilities pursuant to the Plant Agreements. The Issuer hereby acknowledges that it shall have no rights to the use or possession of the Facilities. The Issuer hereby further acknowledges that the Facilities will not constitute any part of the security for the Bonds.

Section 4.3 Indemnity Against Claims. The Company shall pay and discharge and shall indemnify and hold harmless the Issuer and the Trustee from (a) any lien or charge upon payments by the Company to the Issuer under the Notes, the First Mortgage Bonds or hereunder, (b) any taxes, assessments, impositions and other charges upon payments by the Company to the Issuer under the Notes, the First Mortgage Bonds or hereunder and (c) any and all liability, damages, costs and expenses arising out of or resulting from the transactions contemplated by this Agreement, the First Mortgage Bonds and the Indenture or in any way related to the Facilities, including the reasonable fees and expenses of counsel. If any such lien or charge is sought to be imposed upon payments, or any such taxes, assessments, impositions or other charges are sought to be imposed, or any such liability, damages, costs and expenses are sought to be imposed, the Issuer and/or the Trustee shall give prompt written notice to the Company, and the Company shall have the sole right and duty to assume, and will assume, the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion.

Section 4.4 Inspection of the Facilities. Subject to the provisions of the Plant Agreements, the Company agrees that the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives for good cause may during normal working hours and upon reasonable notice to the Company enter upon the site of the Plant and examine and inspect the Facilities and the books and records of the Company with respect to the Facilities and the Bonds.

Section 4.5 The Company to Maintain Its Legal Existence; Conditions Under Which Exceptions Permitted. The Company agrees that during the term of this Agreement it will maintain its legal existence, will be qualified to do business in the State of Arkansas, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation, or a limited liability company, partnership, or trust, or permit one or more other corporations, limited liability companies, partnerships, or trusts to consolidate with or merge into it; provided, that the Company may, without violating the agreements contained in this Section 4.5, consolidate with or merge into another corporation, or a limited liability company, partnership, or trust, or permit one or more other corporations, limited liability companies, partnerships, or trusts to consolidate with or merge into it, or sell or otherwise transfer to another corporation, or a limited liability company, partnership, or trust, all or substantially all of its assets as an entity and thereafter dissolve, provided that (a) both immediately prior to such consolidation or merger and after giving effect thereto, no Event of Default (or event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default) shall have occurred and be continuing, (b) in the event the Company is not the surviving, resulting or transferee corporation, as the case may be, the surviving, resulting or transferee corporation, limited liability company, partnership, or trust assumes, accepts and agrees in writing to pay and perform all of the obligations of the Company herein and under the Notes and the First Mortgage Bonds (in one or more agreements or instruments, including a merger or consolidation agreement or plan) or otherwise becomes responsible for such obligations (by operation of law, guaranty or otherwise) and is either organized under the laws of the State of Arkansas or is qualified to do business in the State of Arkansas, and (c) whether or not the Company is the surviving, resulting or transferee corporation, limited liability company, partnership, or trust, such consolidation or merger does not result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 4.6 Annual Statement. If reasonably requested in writing, the Company agrees to have an annual audit made by its regular independent public accountants and within 180 days after the close of each fiscal year to furnish the Trustee and any Bondholder who may so request a balance sheet and statement of income and surplus showing the financial condition of the Company and its consolidated subsidiaries, if any, at the close of such fiscal year and the results of operations of the Company and its consolidated subsidiaries, if any, for such fiscal year, accompanied by a certificate or opinion of said accountants. The requirements of the Company pursuant to this Section 4.6 may be satisfied by the submission to the Trustee and each Bondholder who may request such information of the Company's annual report to its shareholders, so long as the Company prepares such an annual report on its Annual Report on Form 10-K.

Section 4.7 Further Assurances and Corrective Instruments. The Issuer and the Company agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Facilities and for carrying out the intention or facilitating the performance of this Agreement and the First Mortgage Bonds.

Section 4.8 Maintenance of Facilities by Company. The Company agrees that during the term of this Agreement it will exercise all its rights, powers, elections and options under the Plant Agreements to cause the payment of all reasonable and necessary costs of operating, maintaining and repairing the Facilities; provided, however, that the Company shall not be under any obligation to exercise its rights, powers, elections and options under the Plant Agreements to cause the renewal, repair or replacement of any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary portions of the Facilities. In any instance where the Company determines that any portions of the Facilities have become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, the Company may exercise its rights, powers, elections and options under the Plant Agreements to cause the removal of such portions of the Facilities and sell, trade-in, exchange or otherwise dispose of such removed portion without any responsibility or accountability to the Issuer, the Trustee or the Bondholders therefor.

Section 4.9 Redemption or Purchase of Bonds. The Issuer shall take all steps then necessary under the applicable provisions of the Indenture and then applicable federal and state laws and regulations for the redemption or purchase of Bonds upon receipt by the Issuer and the Trustee from the Company of a written notice specifying:

- the principal amount of Bonds to be redeemed or purchased and the section of the Indenture pursuant to which such Bonds are being redeemed or purchased;
- the date of such redemption or purchase, which, in the case of a redemption of Bonds, shall be at least thirty (30) but not more than ninety (90) days subsequent to the receipt by the Trustee of such notice; and
- the case of a redemption of Bonds, directions to mail a notice of redemption pursuant to Section 3.04 of the Indenture.

In the case of a purchase of Bonds, the written notice to the Trustee shall, if available moneys in the Bond Fund are insufficient to purchase the principal amount of Bonds specified in subsection (a) above, be accompanied by a deposit into the Bond Fund of cash or Government Obligations sufficient, together with other moneys then available in the Bond Fund, to make the directed purchase of Bonds.

Section 4.10 Tax Covenants. (a) The Company covenants and agrees that it will not use or permit the use by any person of any of the funds provided by the Issuer hereunder or any other of its funds, directly or indirectly, or direct the Trustee to invest any funds held by it under the Indenture or this Agreement, in such manner as would, or enter into, or allow any "related person" (as defined in Section 103(b)(13) of the 1954 Code) to enter into, any arrangement, formal or informal, that would, or take or omit to take any other action that would, cause any Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code or result in the loss of the exclusion from gross income for federal income tax purposes of the interest on the Bonds to the Series 2013 Bonds Code (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code). The Company acknowledges Section 6.02 of the Indenture and agrees to perform all duties imposed upon it by such Section including but not limited to its obligations under the Rebate Agreement. Insofar as said Section imposes duties and responsibilities on the Company, it is specifically incorporated herein by reference.

(b) The Issuer and the Company mutually covenant and agree that neither of them shall take or authorize or permit any action to be taken, and have not taken or authorized or permitted any action to be taken, which has or would result in the interest on any Bonds theretofore issued under the Indenture being included in gross income of the holders thereof for federal income tax purposes (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code). Without limiting the generality of the foregoing, the Company further covenants and agrees as follows with respect to the Series 2013 Bonds:

- The Facilities are located within the geographical boundaries of the Issuer.
- All of the proceeds of the Prior Bonds were used to currently refund the Issuer's remaining outstanding (A) Pollution Control Revenue Refunding Bonds, Series 1994 (Arkansas Power & Light Company Project) (the "Series 1994 Bonds"), and (B) Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 1997 (the "Series 1997 Bonds"). The proceeds of the Series 1994 Bonds were used to currently refund the Issuer's remaining outstanding Series 1978 Bonds, and the proceeds of the Series 1997 Bonds were used to currently refund the Issuer's remaining outstanding Series 1977 Bonds. The Series 1977 Bonds and the Series 1978 Bonds were issued to finance in part the cost of acquiring, constructing and equipping the Project. Substantially all of the proceeds of the Series 1977 Bonds and the Series 1978 Bonds were expended (A) for proper costs of land or property of a character subject to the allowance for depreciation under Section 167 of the 1954 Code, or which was, for federal income tax purposes, chargeable to a capital account or would have been so chargeable either with a proper election by the Company (for example under Section 266 of the 1954 Code) or but for a proper election by the Company to deduct such amounts, and (B) to provide pollution control, sewage or solid waste disposal facilities within the meaning of Section 103(b)(4)(E) or (F) of the 1954 Code.
- Except for the Independence County Bonds, within fifteen (15) days of the date of issuance of the Series 2013 Bonds, there neither have been nor will be any bonds the interest on which is excludable from gross income (within the meaning of Section 103 of the Code) sold to finance or refinance facilities of the Company or any "related person" (within the meaning of Section 147(a)(2) of the Code) under a common plan of marketing, at substantially the same rate of interest, and for which a common or pooled security will be used or available to pay debt service.
- The average maturity of the Series 2013 Bonds (within the meaning of Section 147(b) of the Code and regulations thereunder) does not exceed 120% of the average reasonably expected economic life of the Facilities (within the meaning of Section 147(b) of the Code and regulations thereunder).
- No changes will be made in the Facilities which in any way impair the exclusion of interest on any of the Series 2013 Bonds from gross income for purposes of federal income taxation.
- None of the proceeds of the Series 2013 Bonds will be used to finance costs of issuance of the Series 2013 Bonds.
- The principal amount of the Series 2013 Bonds does not exceed the outstanding principal amount of the Prior Bonds being refunded from the proceeds of the Series 2013 Bonds.

(c) The covenants and agreements contained in this Section 4.10 shall survive any termination of this Agreement.

(d) The representations, covenants and agreements contained herein and in such other documentation executed by or on behalf of the Company in connection with the issuance of any Bonds under the Indenture are intended to ensure compliance with the provisions of the Code and the 1954 Code and to establish that the expectations and facts pertaining to such provisions of the Code and the 1954 Code are consistent with such provisions. In the event that the Code or the 1954 Code is amended or the regulations thereunder are hereafter proposed or promulgated and the effect of such amendment, proposal or promulgation is to modify or delete any element of the covenants contained in this Section

4.10. The Company shall be relieved of its obligation to comply with such covenants to the extent of such modification or deletion provided that the Company receives an opinion of nationally recognized counsel experienced on the subject of municipal bonds that such action will not adversely affect the exclusion of the interest on the Bonds from the gross income of the holders thereof for federal income tax purposes. In the event a change in the Code, the 1954 Code or regulations imposes additional requirements that are applicable to the Bonds, the Company hereby agrees to comply with the provisions of the Code, the 1954 Code and/or regulations as amended or promulgated.

(c) The Company acknowledges that in the event of an examination of the Bonds by the Internal Revenue Service to determine compliance of the Bonds with the provisions of the Code as they relate to tax-exempt obligations, the Issuer is likely to be treated as the "taxpayer" in such examination. The Issuer covenants that it will promptly notify the Company of any inquiry or examination of the Internal Revenue Service relating to the Bonds and will cooperate with the Company, at the Company's expense, in connection with such examination.

Section 4.11 Continuing Disclosure. The Company hereby covenants and agrees that it will comply with and carry out all of the provisions of the Undertaking. Notwithstanding any other provision of this Agreement, failure of the Company to comply with the Undertaking shall not be considered an Event of Default under this Agreement; however, the Trustee may (and, at the request of the underwriters of the Bonds or the holders of at least twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, shall), or any Bondholder may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Company to comply with its obligations under this Section 4.11.

Section 4.12 Prior Bonds. The Company represents that all actions required under the 1954 Code and the Code have been taken in connection with the use of the proceeds of the Prior Bonds to insure that interest on the Prior Bonds remains excluded from the gross income of the holders thereof for federal income tax purposes (other than a holder who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code).

Section 4.13 Assignment, Leasing and Selling. The Company's interest in this Agreement may be assigned in whole or in part, and the Facilities may be leased or sold as a whole or in part (whether a specific element or unit or an undivided interest), by the Company, without the consent of the Issuer or the Trustee, subject, however, to the condition that no assignment, lease or sale (other than as described in Section 4.8 hereof) shall relieve the Company from primary liability for its obligations under Section 3.2 hereof to pay the payments required thereunder, or for any other of its obligations hereunder, other than those obligations relating to the operation, maintenance and insurance of the Facilities, which obligations (to the extent of the interest assigned, leased or sold and to the extent assumed by the assignee, lessee or purchaser) shall be deemed to be satisfied and discharged. Further, upon any such lease or sale, the Company shall comply with the requirements of Section 4.10 hereof, the 1954 Code and the Code (including, without limitation, the taking of remedial action with respect to the Bonds) as the same may then be applicable.

The Company shall, within fifteen (15) days after the delivery thereof, furnish to the Issuer and the Trustee a true and complete copy of the agreements or other documents effectuating any such assignment, lease or sale.

Section 4.14 Recordation and Filing. The Company hereby covenants and agrees that it will cause the Indenture and this Agreement, such security agreements, financing statements and all supplements thereto and other instruments as may be required from time to time to be kept, recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the Bonds and the rights of the Trustee under such instruments, and to perfect the security interest created by the Indenture.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Events of Default. Each of the following shall be an "Event of Default" under this Agreement:

(a) Failure by the Company to pay when due any payment required to be made pursuant to Section 3.2(b) hereof or on the Notes, which failure shall have resulted in an "Event of Default" under clause (a) or (b) of Section 8.01 of the Indenture.

(b) Failure by the Company to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in subsection (a) of this Section 5.1, for a period of ninety (90) days after written notice, specifying such failure and requesting that it be remedied, is given to the Company by the Issuer or the Trustee, unless the Issuer and the Trustee shall agree in writing to an extension of such period prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Issuer and the Trustee will not unreasonably withhold their consent to an extension of such period if corrective action is instituted by the Company within the applicable period and diligently pursued until the failure is remedied.

(c) A "Default" as such term is defined in Section 65 of the First Mortgage Bonds Indenture.

The foregoing provisions of Section 5.1(b) are subject to the limitation that, if by reason of force majeure the Company is unable in whole or in part to carry out its agreements herein contained other than those set forth in Sections 4.5 and 4.10 hereof, an Event of Default shall not be deemed to have occurred during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; strikes; lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of any state or any of their departments, agencies or officials or of any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fire; hurricanes; tornadoes; storms; floods; washouts; droughts; restraints of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission lines, pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company. The Company agrees, however, to remedy to the extent practicable with all reasonable dispatch the effects of any force majeure preventing the Company from carrying out its agreements; provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Company, and the Company shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Company unfavorable to the Company.

Section 5.2 Remedies on Default. (a) Upon the occurrence and continuance of any Event of Default described in Section 5.1(a) or (c) hereof, and further upon the condition that, in accordance with the terms of the Indenture, the Bonds shall become due and payable pursuant to any provision of the Indenture, the payments required to be paid pursuant to Section 3.2(b) hereof and on the Notes shall, without further action, become immediately due and payable.

(b) Upon the occurrence and continuance of an Event of Default described in Section 5.1(c) hereof, the Trustee, as holder of the First Mortgage Bonds, shall, subject to the provisions of the Indenture, have the rights provided in the First Mortgage Bonds Indenture.

(c) Upon the occurrence and continuance of any Event of Default, the Issuer may take whatever action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Agreement.

Any amounts collected pursuant to action taken under this Section 5.2 shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture or, if the Bonds have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture) and the fees and expenses of the Issuer, the Trustee and all other amounts required by and under the Indenture and hereunder shall have been paid, to the Company.

Section 5.3 Agreement to Pay Attorneys' Fees and Expenses. In the event the Company should breach any of the provisions of the Notes, the First Mortgage Bonds, this Agreement or the Indenture and the Issuer or the Trustee should employ attorneys or incur other expenses for the collection of amounts payable hereunder or thereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Company herein or therein contained, the Company agrees that it will on demand therefor pay to the Issuer or the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer or the Trustee.

Section 5.4 No Additional Waiver Implied by One Waiver. In the event any provision contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

In view of the assignment of the Issuer's rights in and under this Agreement to the Trustee under the Indenture, the Issuer shall have no power to waive any default hereunder by the Company without the prior consent of the Trustee. Any waiver of any "Event of Default" under the Indenture and a rescission and annulment of its consequences, and any waiver of any "Default" under the First Mortgage Bonds Indenture and a rescission and annulment of its consequences, shall constitute a waiver of the corresponding Event of Default hereunder and a rescission and annulment of the consequences thereof.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Term of this Agreement. This Agreement shall remain in full force and effect from the date hereof until such time as all of the Bonds then Outstanding shall have been fully paid or provision made therefor in accordance with the provisions of the Indenture, whichever shall first occur, and the fees and expenses of the Issuer, the Trustee and any paying agents and all other amounts payable by the Company under this Agreement, the First Mortgage Bonds and the Notes shall have been paid.

Section 6.2 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: if to the Issuer, at Jefferson County Courthouse, 101 West Baraque Street, Pine Bluff, Arkansas 71601, Attention: County Judge; if to the Company, at 639 Loyola Avenue, New Orleans, Louisiana 70113, Attention: Treasurer; and if to the Trustee, at 501 Main Street, Pine Bluff, Arkansas 71601, Attention: Corporate Trust Department. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or the Company to the other shall also be given to the Trustee. The Issuer, the Company and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 6.3 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Company and their respective successors and assigns, subject, however, to the limitations contained in Section 4.5 hereof.

Section 6.4 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 6.5 Amounts Remaining in the Bond Fund. Any amounts remaining in the Bond Fund upon termination of this Agreement shall, to the extent provided by Section 5.08 of the Indenture, belong to and be paid to the Company by the Trustee.

Section 6.6 Amendments. This Agreement may not be effectively terminated except in accordance with the provisions hereof and may not be effectively amended except by a written agreement in accordance with Article XI of the Indenture and signed by the parties hereto.

Section 6.7 Execution in Counterparts. This 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 6.8 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arkansas.

Section 6.9 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 6.10 Other Financing. Notwithstanding anything in this Agreement to the contrary, the Issuer and the Company may hereafter enter into agreements to provide for the financing or refinancing of costs of the Facilities or any portion thereof in lieu of or in addition to the provisions herein for Additional Bonds.

IN WITNESS WHEREOF, the Issuer and the Company have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

JEFFERSON COUNTY, ARKANSAS

By /s/ Dutch King
County Judge

(SEAL)

ATTEST:

/s/ Patricia Royal Johnson
County Clerk

ENERGY ARKANSAS, INC.

By /s/ Steven C. McNeal
Steven C. McNeal
Vice President and Treasurer

(SEAL)

ATTEST:

/s/ Dawn Balash
Dawn Balash
Assistant Secretary

EXHIBIT A

ENERGY ARKANSAS, INC. PROMISSORY NOTE

\$54,700,000

January 9, 2013

ENERGY ARKANSAS, INC., a corporation organized and existing under the laws of the State of Arkansas (the "Company"), acknowledges itself indebted and for value received hereby promises to pay to the order of Jefferson County, Arkansas (the "Issuer"), and its successors and assigns, the principal sum of Fifty-four Million Seven Hundred Thousand Dollars (\$54,700,000) together with interest on the unpaid principal balance thereof from the date hereof until the Company's obligation with respect to the payment of such sum shall be discharged at the rate borne by the Bonds referred to below.

This Note is issued to evidence the Loan (as defined in the Agreement hereinafter referred to) of the Issuer to the Company and the obligation of the Company to repay the same and shall be governed by and be payable in accordance with the terms and conditions of a Loan Agreement (the "Agreement") by and between the Issuer and the Company, dated as of January 1, 2013, pursuant to which the Issuer has loaned to the Company the proceeds of the sale of the Issuer's \$54,700,000 Pollution Control Revenue Refunding Bonds (Energy Arkansas, Inc. Project Series 2013 (the "Bonds")). Additional similar Notes may be or have been issued by the Company as provided in the Agreement. This Note (together with the Agreement) has been assigned to Simmons First Trust Company, National Association, as Trustee (the "Trustee"), acting pursuant to a Trust Indenture, dated as of January 1, 2013, including any indenture supplemental thereto (the "Indenture"), by and between the Issuer and the Trustee, and may not be assigned by the Trustee except to a successor Trustee pursuant to the terms of the Indenture. Such assignment is made as security for the Bonds, and any other bonds which are or may at any time be issued and outstanding under the Indenture. The Bonds are dated and bear interest in accordance with the provisions of the Indenture, payable on April 1 and October 1 in each year commencing April 1, 2013 at the rate of One and Fifty-Five One-Hundredths percent (1.55%) per annum, and mature on October 1, 2017. The Bonds are subject to redemption prior to maturity as provided in the Indenture.

Subject to the provisions of the Agreement, payments hereon are to be made by paying to the Trustee, as assignee of the Issuer, in funds which will be immediately available on the date payment is due, amounts which, and at or before times which, shall correspond to the payments with respect to the principal of and interest on the Bonds whenever and in whatever manner the same shall become due, whether at stated maturity, upon redemption or declaration or otherwise. If at the date any payments on the Bonds are due there are any available moneys in the Bond Fund established under the Indenture, such moneys shall be credited against the payment then due hereunder, first in respect of interest and then, to the extent of remaining moneys, in respect of principal. Upon the occurrence of an Event of Default, as defined in the Agreement, the principal of and interest on this Note may become immediately due and payable as provided in the Agreement.

Neither the officers of the Company nor any persons executing this Note shall be liable personally or shall be subject to any personal liability or accountability by reason of the issuance hereof.

IN WITNESS WHEREOF, Energy Arkansas, Inc. has caused this Note to be executed in its corporate name and on its behalf by its President, its Treasurer or a Vice President by his or her manual signature, and its corporate seal to be impressed hereon and attested by the manual signature of its Secretary or an Assistant Secretary, all as of the date first above written.

(SEAL)

ATTEST:

By _____
Dawn A. Balash
Assistant Secretary

ENTERGY ARKANSAS, INC.

By _____
Steven C. McNeal
Vice President and Treasurer

ASSIGNMENT

Pay to the order of Simmons First Trust Company, National Association, as Trustee, as assignee of Jefferson County, Arkansas, under the Trust Indenture, dated as of January 1, 2013 by and between Jefferson County, Arkansas and Simmons First Trust Company, National Association, as Trustee, securing the payment of Jefferson County, Arkansas Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013, in the original principal amount of \$54,700,000.

Dated: January 9, 2013

(SEAL)

JEFFERSON COUNTY, ARKANSAS

By _____
County Judge

INDEPENDENCE COUNTY, ARKANSAS

and

SIMMONS FIRST TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

TRUST INDENTURE

Dated as of January 1, 2013

Relating to \$45,000,000 Pollution Control
Revenue Refunding Bonds
(Entergy Arkansas, Inc. Project)
Series 2013

THIS TRUST INDENTURE, dated as of January 1, 2013, by and between INDEPENDENCE COUNTY, ARKANSAS, a political subdivision under the Constitution and laws of the State of Arkansas (the "Issuer"), and SIMMONS FIRST TRUST COMPANY, NATIONAL ASSOCIATION, a trust company duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, as Trustee (the "Trustee").

RECITALS

WHEREAS, the Issuer is authorized and empowered under the laws of the State of Arkansas, including particularly the provisions of Title 14, Chapter 267 of the Arkansas Code of 1987 Annotated (the "Act"), to issue revenue bonds and to expend the proceeds thereof to finance and refinance the acquisition, construction, reconstruction, extension, equipment or improvement of pollution control facilities for the disposal or control of sewage, solid waste, water pollution, air pollution, or any combination thereof; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Issuer has heretofore issued \$45,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2005 (the "Prior Bonds"), pursuant to a Trust Indenture dated as of March 1, 2005, by and between the Issuer and Simmons First Trust Company, National Association, as trustee thereunder (the "Prior Trustee"); and

WHEREAS, the Prior Bonds were issued to refinance the cost of acquiring, constructing and equipping an undivided interest (the "Project") in certain pollution control and sewage and solid waste disposal facilities (the "Facilities") at the Independence Steam Electric Station (the "Plant") of Entergy Arkansas, Inc. (formerly Arkansas Power & Light Company), a corporation authorized and existing under the laws of the State of Arkansas (the "Company"), and others located within the boundaries of the Issuer near Newark, Arkansas; and

WHEREAS, there is currently outstanding \$45,000,000 in aggregate principal amount of the Prior Bonds; and

WHEREAS, the Issuer and the Company have entered into a Loan Agreement, dated as of January 1, 2013 (the "Agreement"), providing that, for the purposes therein set forth, the Issuer will issue and sell its Bonds (as hereinafter defined) in one or more series; that the Issuer will loan the proceeds of the Bonds to the Company; and that to evidence any Loan (as hereinafter defined) the Company will execute and deliver, concurrently with the issuance of each series of Bonds, a non-negotiable promissory note in a like principal amount bearing interest at the same stated rate or rates of interest as such series of Bonds; and

WHEREAS, the execution and delivery of this Indenture and the Agreement have been in all respects duly and validly authorized by an order or orders duly entered by the County Court of the Issuer; and

WHEREAS, in order to provide funds to currently refund all of the outstanding Prior Bonds, the Issuer has duly authorized the issuance and sale of its Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 (hereinafter sometimes called the "Series 2013 Bonds"), in the aggregate principal amount of \$45,000,000; and

WHEREAS, to evidence in part its payment obligations under the Agreement for the Series 2013 Bonds, the Company will deliver to the Trustee the First Mortgage Bonds (as hereinafter defined), in accordance with Section 3.5 of the Agreement; and

WHEREAS, the Issuer has determined that the Series 2013 Bonds and the certificate of authentication by the Trustee and the certificate of registration and validation to be endorsed on all the Series 2013 Bonds shall be, respectively, substantially in the following forms, with such variations, omissions and insertions as are required or permitted by this Indenture:

[FORM OF BOND]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. R-1 \$45,000,000
Date: January 9, 2013 CUSIP: _____

UNITED STATES OF AMERICA
STATE OF ARKANSAS
INDEPENDENCE COUNTY, ARKANSAS
POLLUTION CONTROL REVENUE REFUNDING BOND
(Entergy Arkansas, Inc. Project)
Series 2013

INDEPENDENCE COUNTY, ARKANSAS (herein called the "Issuer"), a political subdivision under the Constitution and laws of the State of Arkansas, for value received, hereby promises to pay, solely from the special fund provided therefor as hereinafter set forth, to Cede & Co. or registered assigns or legal representative, on the 1st day of January, 2021 (or earlier as hereinafter referred to), upon the presentation and surrender hereof at the principal corporate trust office of the Trustee (hereinafter mentioned), the principal sum of Forty-Five Million & No/100ths Dollars (\$45,000,000) in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay, solely from said special fund, to the registered owner hereof by check or draft mailed to the registered owner at his address as it appears on the bond registration, subject to the penultimate paragraph of this Bond, books of the Issuer, interest (calculated on the basis of a year of 360 days and twelve 30-day months) on said principal sum from the latest semiannual interest payment date to which interest has been paid on Bonds of this series preceding the date hereof, unless the date hereof is an interest payment date to which interest is being paid, in which case from the date hereof, or unless the date hereof is prior to July 1, 2013, in which case from the date hereof, at the rate of Two and Three Hundred Seventy-Five One-Thousandths percent (2.375%) per annum until payment of said principal sum, such interest being payable semiannually on the 1st days of January and July (commencing July 1, 2013) in each year in like coin or currency.

The interest payable on any January 1 or July 1 will, subject to certain exceptions provided in the Indenture (hereinafter mentioned), be paid to the person in whose name this Bond is registered at the close of business on the record date, which shall be the June 15 or December 15, as the case may be, immediately preceding such interest payment date.

The Issuer is a political subdivision validly existing pursuant to the Constitution and laws of the State of Arkansas. The Bonds (hereinafter mentioned) are authorized to be issued for purposes for which bonds are authorized to be issued under the provisions of Title 14, Chapter 267 of the Arkansas Code of 1987 Annotated (the "Act"). This Bond and the interest hereon shall not be deemed to constitute a debt, liability or obligation of the Issuer or the State of Arkansas or any political subdivision thereof, or a pledge of the faith and credit of the Issuer or the State of Arkansas or any political subdivision thereof, but this Bond shall be payable solely from the revenues and proceeds provided therefor as hereinafter described and the Issuer is not obligated to pay this Bond or the interest hereon except from the revenues and proceeds pledged therefor and neither the faith and credit nor the taxing power of the Issuer or the State of Arkansas or any political subdivision thereof is pledged to the payment

of the principal of or interest on this Bond. No covenant or agreement contained in this Bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the Issuer in his individual capacity and no member of the governing body of the Issuer nor any officer of the Issuer executing this Bond shall be liable personally on this Bond or be subject to any personal liability in connection with the issuance of this Bond. The Bonds do not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory limitation.

This Bond is one of a duly authorized series of revenue refunding bonds of the Issuer known as "Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013" (the "Series 2013 Bonds"), issued for the purpose of currently refunding all of the \$45,000,000 (outstanding principal amount) Independence County, Arkansas Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2005 (the "Prior Bonds"). The Prior Bonds were originally issued in order to refinance the cost of the acquisition, construction and equipping of an undivided interest in certain pollution control and sewage and solid waste disposal facilities (the "Facilities") at the Independence Steam Electric Station in Independence County, Arkansas (the "Plant").

The Bonds of this series are initially authorized to be issued in the aggregate of Forty-Five Million & No/100ths Dollars (\$45,000,000) in principal amount. The Indenture provides for the issuance, under the conditions, limitations and restrictions therein set forth, of additional Bonds for the purpose of refunding Bonds of any series issued under the Indenture.

The Bonds of this series and all such additional Bonds (herein called collectively the "Bonds") are issued or are to be issued under and pursuant to a trust indenture (said trust indenture, together with all trust indentures supplemental thereto as therein permitted, being herein called the "Indenture"), dated as of January 1, 2013, by and between the Issuer and Simmons First Trust Company, National Association, as Trustee (said trustee and any successor trustee under the Indenture being herein called the "Trustee"), an executed counterpart of which Indenture is on file at the principal corporate trust office of the Trustee in Pine Bluff, Arkansas. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds issued under the Indenture, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal of and interest on the Bonds, the nature and extent of the security, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Issuer and of the Trustee, the rights of the holders of the Bonds and the terms and conditions pursuant to which the Indenture and the Agreement (hereinafter mentioned) may be amended, and, by the acceptance of this Bond, the holder hereof assents to all of the provisions of the Indenture.

This Bond is issued and the Indenture was made and entered into under and pursuant to the Constitution and laws of the State of Arkansas, and particularly the Act, and under and pursuant to orders duly adopted by the County Court of the Issuer.

The Issuer has entered into a Loan Agreement, dated as of January 1, 2013 (herein called the "Agreement"), with Entergy Arkansas, Inc., a corporation organized and existing under the laws of the State of Arkansas and formerly known as Arkansas Power and Light Company (herein called the "Company"), under the provisions of which the Issuer has loaned the proceeds of the Bonds of this series to the Company and has agreed to loan the proceeds of any additional series of Bonds to the Company (herein called the "Loan"). In order to evidence the Loan and the Company's repayment obligation, the Company has executed and delivered its non-negotiable promissory note and has agreed to issue additional such notes concurrently with the issuance of any additional series of Bonds (herein called the "Notes"). The Notes provide for the repayment by the Company of the Loan, including interest thereon, in installments sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable. The Notes provide that the amounts so to be paid thereunder shall be paid directly to the Trustee as assignee of the Issuer, such payments are to be deposited to the credit of the Bond Fund as defined in and created under the Indenture which special fund is pledged to and charged with the payment of the principal of and interest on all Bonds issued under the Indenture and such amounts so to be paid thereunder have been duly pledged and assigned for that purpose. In addition, certain other rights of the Issuer under the Agreement have been assigned to the Trustee to secure payment of such principal and interest under the Indenture.

In addition to the Notes, the Company has issued and delivered its First Mortgage Bonds under Section 3.5 of the Agreement, to evidence in part its payment obligations set forth in the Agreement relating to the Bonds of this series, which First Mortgage Bonds have been registered in the name of, and are held by, the Trustee under the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. At the principal corporate trust office of the Trustee, in the manner and subject to the limitations, conditions and charges provided in the Indenture, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bonds of this series are also subject to optional redemption by the Issuer in whole but not in part, at any time, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest thereon to the redemption date in the event the Trustee and the Issuer shall have received written notice from the Company, pursuant to Section 4.9 of the Agreement, of its determination of the occurrence of certain events specified in Section 3.02(a) or (b) of the Indenture.

The Bonds of this series are also subject to optional redemption by the Issuer, at the written direction of the Company pursuant to Section 4.9 of the Agreement, in whole but not in part, at any time, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest thereon to the redemption date, if the Company shall have consolidated with or merged with or into another corporation, or a limited liability company, partnership or trust, or sold or otherwise transferred all or substantially all of its assets.

The Bonds of this series are also subject to optional redemption by the Issuer, at the written direction of the Company, pursuant to Section 4.9 of the Agreement, in whole or in part (but if in part by lot or in such other random manner as the Trustee in its discretion may determine), at any time, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date, if the Company delivers to the Trustee a written certificate (a) to the effect that (i) by reason of a change in use of the Facilities or any portion or portions thereof, the Company has been unable, after reasonable effort and absent such redemption or a defeasance of the Bonds, to obtain an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that a court, in a properly presented case, should decide that (A) Section 150 of the Internal Revenue Code of 1986, as amended (the "1986 Code") (or successor provision of similar import), does not prevent that portion of the Loan payable under the Agreement and attributable to interest on the Bonds of this series from being deductible by the Company for federal income tax purposes, or (B) the compliance by the Company with the provisions of Treasury Department Regulations Section 1.142-2 (or successor provision of similar import) does not prevent interest on the Bonds of this series from being excludable from gross income (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended (the "1954 Code")), or (ii) the Company has abandoned (or has been determined by the Internal Revenue Service to have abandoned) its interest in the Facilities, (b) specifying that as a result of its inability to obtain such opinion of nationally recognized counsel experienced on the subject of municipal bonds or such abandonment, the Company has elected to prepay amounts due under the Agreement equal to the redemption price of the Bonds of this series (or portion thereof) to be so redeemed, and (c) specifying the principal amount of the Bonds of this series which the Company has determined to be the minimum necessary to be so redeemed in order for the Company to retain its rights to such interest deductions and the interest payable on the Bonds of this series to retain its excludability from gross income under Section 103 of the 1954 Code (other than for an owner who is a "substantial user" of the Facilities or a "related person" as those terms are used and defined in the 1954 Code) (which principal amount of the Bonds of this series will be so redeemed).

The Bonds of this series are subject to mandatory redemption, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date, on the 180th day (or such earlier date as may be designated by the Company) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Company of an opinion of nationally recognized counsel experienced on the subject of municipal bonds rendered at the request of the Company, to the effect that, as a result of a failure by the Company to observe any covenant, agreement or representation contained in the Agreement or the Issuer to observe any covenant, agreement or representation in the Indenture, the interest payable on such Bonds is not excludable for federal income tax purposes from the gross income of the owners thereof (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code) or would not be in the absence of such mandatory redemption. No determination by any court or administrative agency will be considered final unless the Company has received timely notice of and has had an opportunity to participate in the proceeding which resulted in such determination. The Bonds of this series will be redeemed, either in whole or in part (but if in part by lot or in such other random manner as the Trustee in its discretion may determine), in such principal amount that the interest payable on such Bonds remaining outstanding after such redemption would not under Section 103 of the 1954 Code be included in the gross income of any owner thereof (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code).

Any such redemption, either in whole or in part, shall be made upon not less than twenty-five (25) days' nor more than sixty (60) days' prior notice as provided in the Indenture, and shall be made in the manner and under the terms and conditions provided in the Indenture. On the date designated for redemption, notice having been given and moneys for payment of the redemption price and accrued interest being held by the Trustee or by the paying agents, all as provided in the Indenture, the Bonds or portions of Bonds of this series so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds of this series or such portions thereof on such date, interest on such Bonds of this series or such portions thereof so called for redemption shall cease to accrue, such Bonds of this series or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture, and the registered owners thereof shall have no rights in respect of such Bonds of this series or such portions thereof so called for redemption or in respect of the Indenture except to receive payment of the redemption price and accrued and unpaid interest thereon so held by the Trustee or by the paying agents. If a portion of this Bond shall be called for redemption, a new registered Bond of this series without coupons in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender hereof.

With respect to notice of redemption of any Bonds at the option of the Issuer (at the written direction of the Company pursuant to Section 4.9 of the Agreement), unless moneys sufficient to pay the principal of and interest on any such Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice, such notice may state that said redemption shall be conditioned upon the receipt of such moneys by the Trustee on or prior to the date fixed for such redemption. If such moneys shall not have been so received, such notice shall be of no force and effect, the Issuer shall not redeem such Bonds and the Trustee shall give notice to the owners of all Bonds which were to have been redeemed, in the manner in which the notice of redemption was given, that such moneys were not so received.

The holder of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds then Outstanding under the Indenture may become or may be declared due and payable before the stated maturity thereof, together with the interest accrued thereon.

Modifications or alterations of the Indenture or any trust indenture supplemental thereto or of the Agreement may be made only to the extent and in the circumstances permitted by the Indenture.

The transfer of this Bond may be registered by the registered owner hereof in person or by his attorney or legal representative at the principal corporate trust office of the Trustee, but only in the manner and subject to the limitations and conditions provided in the Indenture and upon surrender and cancellation of this Bond. Upon any such registration of transfer the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for this Bond a new registered Bond or Bonds of this series without coupons, registered in the name of the transferee, of authorized denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same series and maturity and bearing interest at the same rate.

This Bond is issued with the intent that the laws of the State of Arkansas shall govern its construction. As declared by the Act and other applicable laws of the State of Arkansas, this Bond shall have all the qualities and incidents, including negotiability, of an investment security under the Uniform Commercial Code of the State of Arkansas.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture have happened, exist and have been performed as so required.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

The Bonds of this series are initially being issued by means of a book entry system with no physical distribution of bond certificates to be made except as provided in the Indenture. One global bond certificate, registered in the name of the Securities Depository Nominee, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book entry system will evidence positions held in the Bonds of this series by the Securities Depository's participants, and beneficial ownership of the Bonds of this series in the principal amount of \$5,000 each and integral multiples thereof being evidenced in the records of such participants. Notwithstanding anything to the contrary in this Bond and in the Indenture as long as the Bonds of this series remain in a book entry system, (a) transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants, (b) the Issuer, the Company and the Trustee will recognize the Securities Depository Nominee, while the registered owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of and interest on, this Bond, notices and voting, (c) transfer of principal and interest payments to participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest payments to beneficial owners of the Bonds of this series by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners and (d) the Issuer, the Company and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository Nominee, its participants or persons acting through such participants. While the Securities Depository Nominee is the owner of this Bond, notwithstanding the provisions hereinabove contained, payments of principal of and interest on this Bond shall be made in accordance with existing arrangements between the Trustee or its successors under the Indenture and the Securities Depository.

Capitalized terms used herein but not defined herein shall have the meanings given and assigned to such terms in the Indenture and the Agreement.

IN WITNESS WHEREOF, Independence County, Arkansas has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its County Judge, and by the manual or facsimile signature of its County Clerk and a facsimile of its seal to be imprinted hereon.

(SEAL)

By _____
County Judge

ATTEST:

County Clerk**[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]****CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds of the series designated herein and issued under the provisions of the within mentioned Indenture.

Dated: _____

**SIMMONS FIRST TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee**By _____
Authorized Signature**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned _____ (the "Transferor"), hereby sells, assigns and transfers unto _____ whose address is _____ and whose social security number (or other federal tax identification number) is:

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF TRANSFEREE _____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ as attorney to register the transfer of the within Bond on the books kept for registration and registration of transfer thereof, with full power of substitution in the premises.

Date: _____

SIGNATURE(S) GUARANTEED BY:

(Firm or Bank)_____
Authorized Signature

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless that signature(s) to this assignment correspond(s) with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and name, address and the Social Security Number or federal employee identification number of the Transferee is supplied.

Signature(s) guaranteed by a guarantor institution pursuant to Securities and Exchange Commission Rule 17Ad-15 under the Securities Exchange Act of 1934, or such other similar rule as the Trustee may deem appropriate.

The following abbreviations when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UNIF GIFT/TRANS MIN ACT - _____ Custodian for _____ under
(Custodian) (Minor)
Uniform Gifts/Transfers to Minors Act of _____
(State)

Additional abbreviations may also be used though not in list above.

[END OF FORM OF BOND]**WHEREAS**, all acts, conditions and things required by the Constitution and laws of the State of Arkansas to happen, exist and be performed precedent to and in connection with the execution and delivery of this Indenture and the Agreement have happened, exist and have been performed as so required, in order to make this Indenture a valid and binding trust indenture for the security of the Bonds in accordance with its terms and in order to make the Agreement a valid and binding agreement in accordance with its terms; and**WHEREAS**, the Trustee has accepted the trusts created by this Indenture and in evidence thereof has joined in the execution hereof.**NOW, THEREFORE, THIS INDENTURE WITNESSETH**, that in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and the purchase and acceptance of the Bonds by the holders thereof, and also for and in consideration of the sum of One Dollar (\$1.00) to the Issuer in hand paid by the Trustee at or before the execution and delivery of this Indenture, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of all Bonds at any time issued and outstanding hereunder and the interest and the redemption premium, if any, thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein or herein contained; the Issuer has executed and delivered this Indenture, will cause the Company to deliver to the Trustee the Company's promissory note dated the date of the initial issuance of the Series 2013 Bonds and will cause the Company to deliver any other of its Notes (as defined in the Agreement) required in connection with the issuance of Additional Bonds (as hereinafter defined), will cause the Company to deliver the First Mortgage Bonds (as defined in the Agreement) to the Trustee in accordance with Section 3.5 of the Agreement to evidence in part payments under the Agreement with respect to the Series 2013 Bonds and will cause the Company to deliver a series of first mortgage bonds to the Trustee to the extent required in connection with the issuance of Additional Bonds; the Issuer does hereby bargain, sell, convey, assign and pledge to the Trustee, and grant to the Trustee a security interest in, all rights, title and interests of the Issuer in, to and under such Notes and all payments made and to be made thereunder and all security for the payment of all outstanding Series 2013 Bonds and any Additional Bonds and the interest and the redemption premium, if any, thereon and does hereby bargain, sell, convey, assign and pledge to the Trustee, and grant to the Trustee a security interest in, all other rights, title and interests of the Issuer in, to and under the Agreement (including the right to receive the First Mortgage Bonds or any other first mortgage bonds of the Company issued in connection with the issuance of Additional Bonds) and all moneys receivable thereunder (except for payments to be received under Sections 4.3 and 5.3 of the Agreement) as security for the payment of the Bonds as aforesaid and the satisfaction of any other obligation assumed by it in connection with all Bonds Outstanding at any time issued hereunder; provided, however, that all amounts on deposit in the Rebate Fund are not pledged hereunder and do not constitute security for the Bonds;**TO HAVE AND TO HOLD** the same unto the Trustee and its successors in trust forever;**IN TRUST NEVERTHELESS**, upon the terms and trusts herein set forth, for the equal and proportionate benefit and security of all and singular present and future holders of the Bonds issued and to be issued under this Indenture, without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter provided, of any one Bond over any other Bond, by reason of priority in the issue, sale or negotiation thereof or otherwise;**PROVIDED, HOWEVER**, that if the Issuer, its successors or assigns shall pay or cause to be paid the principal of, redemption premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds, and shall cause the payments to be made into the Bond Fund (as hereinafter defined) as required under Article V hereof or shall provide, as permitted hereby, for the payment thereof pursuant to the provisions of Article VII hereof, and shall perform all the covenants and conditions required of it by this Indenture, and shall pay or cause to be paid to the Issuer, the Trustee and any additional paying agents all sums of money due or to become due to them in accordance with the terms and provisions hereof, then upon such final payments, except as provided in Article VII hereof, this Indenture and the rights hereby granted shall terminate and the Trustee shall release this Indenture and shall execute such documents to evidence such termination and release as may be reasonably required by the Issuer or the Company; otherwise this Indenture to be and remain in full force and effect.**THIS INDENTURE FURTHER WITNESSETH**, and it is expressly declared, that all Bonds from time to time issued and secured hereunder are to be issued, authenticated and delivered, and all said property, rights and interests, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of subject to the terms of this Indenture, and the Issuer agrees with the Trustee and with the respective holders and owners, from time to time, of said Bonds, or part thereof, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the recitals hereto and in the Agreement.

In addition, the following words and phrases shall have the following meanings:

Additional Bonds

"Additional Bonds" means the Bonds authorized to be issued under Section 2.10 of this Indenture.

Authorized Company Representative

"Authorized Company Representative" means the President, any Vice President, the Treasurer, the Secretary, any Assistant Treasurer or any Assistant Secretary of the Company or the person or persons at the time designated to act on behalf of the Company by any one of said officers, such designation in each case to be evidenced by a certificate furnished to the Issuer and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Company by said officer.

Bond Fund

"Bond Fund" means the trust fund created by Section 5.02 of this Indenture.

Bondholder

"Bondholder" or "holder" or "owner of the Bonds" means the person or entity in whose name any Bond is registered.

Bond Registrar

"Bond Registrar" has the meaning set forth in Section 2.05 of this Indenture.

Bonds

"Bonds" means the Series 2013 Bonds authorized to be issued under Section 2.02 of this Indenture and any Additional Bonds.

Code

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

DTC

"DTC" has the meaning set forth in Section 2.11(h) of this Indenture.

Event of Default

"Event of Default" means any occurrence or event described in Section 8.01 of this Indenture.

Facilities

"Facilities" means the pollution control and sewage and solid waste disposal facilities at the Plant which were refinanced, in whole or in part, with the proceeds of the Prior Bonds.

First Mortgage Bonds

"First Mortgage Bonds" means the series of bonds issued and delivered under the First Mortgage Bonds Indenture and held by the Trustee pursuant to Section 3.5 of the Agreement.

First Mortgage Bonds Indenture

"First Mortgage Bonds Indenture" means the Company's Mortgage and Deed of Trust, dated as of October 1, 1944, between the Company and the First Mortgage Bonds Trustee, and, as to property, real or personal, situated or being in Missouri, Marvin A. Mueller (The Bank of New York Mellon Trust Company, National Association, successor), as Missouri co-trustee, as heretofore and hereafter amended and supplemented, including the Seventy-second Supplemental Indenture, dated as of January 1, 2013, pursuant to which the First Mortgage Bonds will be issued.

First Mortgage Bonds Trustee

"First Mortgage Bonds Trustee" means Deutsche Bank Trust Company Americas (as successor to Guaranty Trust Company of New York).

Government Obligations

"Government Obligations" means (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged, or (b) obligations issued by a person controlled or supervised by and acting as an instrumentality of the United States of America, the timely payment of the principal of and premium, if any, and interest on which is fully and unconditionally guaranteed as a full faith and credit obligation by the United States of America.

Indenture

"Indenture" means this trust indenture and any indenture supplemental hereto.

1954 Code

"1954 Code" means the Internal Revenue Code of 1954, as amended, and the regulations promulgated thereunder.

Maturity Date

"Maturity Date" means January 1, 2021.

Outstanding

"Outstanding" or "Bonds Outstanding" or "Bonds then Outstanding" means all Bonds which have been authenticated and delivered by the Trustee under this Indenture, except:

- (a) Bonds cancelled after purchase or because of payment at or redemption prior to maturity;
- (b) Bonds for the payment or redemption of which all necessary moneys or Government Obligations shall have been theretofore deposited with the Trustee (whether upon or prior to the maturity or redemption date of any such Bonds); provided that, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, pursuant to the terms hereof, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee;
- (c) Bonds in exchange for which, or upon the transfer of which, other Bonds have been authenticated under Section 2.05 of this Indenture; and
- (d) Bonds in lieu of which other Bonds have been authenticated under Sections 2.07 and 2.08 of this Indenture.

Person

"Person" means any natural person, firm, partnership, limited liability company, association, corporation, trust or public body.

Plant

"Plant" means the electric generating plant jointly owned by the Company and others located within the boundaries of the Issuer near Newark, Arkansas and known as the Independence Steam Electric Station.

Project

"Project" means the interest of the Company in the Facilities on the respective dates of issuance of (a) the Issuer's Pollution Control Revenue Bonds, Series 1981 (Arkansas Power & Light Company Project), in the aggregate principal amount of \$40,000,000, and (b) the Issuer's Pollution Control Revenue Bonds, Series 1983 (Arkansas Power & Light Company Project), in the aggregate principal amount of \$45,000,000.

Rebate Agreement

"Rebate Agreement" has the meaning set forth in Section 5.09 of this Indenture.

Rebate Fund

"Rebate Fund" has the meaning set forth in Section 5.09 of this Indenture.

Refunding Bonds

"Refunding Bonds" has the meaning set forth in Section 2.10 of this Indenture.

Securities Depository

"Securities Depository" means a recognized securities depository (or its successor or substitute) selected by the Issuer, at the direction of the Company, to act as the securities depository maintaining a book entry system for a particular series of Bonds.

Securities Depository Nominee

"Securities Depository Nominee" means, with respect to a particular series of Bonds and as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name the Bonds of such series shall be registered on the registration books of the Issuer during the time such series of Bonds are held under a book entry system through such Securities Depository.

Trustee

"Trustee" means the trustee serving as such under this Indenture, including any successor Trustee serving or appointed pursuant to Section 9.05 or 9.08 of this Indenture.

ARTICLE II

THE BONDS

Section 2.01 Authorized Amount of Bonds. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article II.

Section 2.02 Issuance of Bonds. There shall be initially issued under and secured by this Indenture Bonds of the Issuer, dated as of the date of their delivery, in the aggregate principal amount of Forty-Five Million & No/100ths Dollars (\$45,000,000) for the purpose of currently refunding all of the outstanding Prior Bonds related to the refinancing of the acquisition, construction and equipping of the Project. Said Bonds shall be designated "Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013", shall bear interest (calculated on the basis of a year of 360 days and twelve 30-day months) at the rate of Two and Three Hundred Seventy-Five One-Thousandths percent (2.375%) per annum, which interest shall be payable semi-annually on the 1st days of January and July in each year, commencing July 1, 2013 (each, an "Interest Payment Date"), and shall mature, subject to prior redemption as hereinafter set forth, on the 1st day of January, 2021.

Section 2.03 Form of Bonds. The definitive Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. The definitive Bonds shall be substantially in the form hereinabove set forth, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

Section 2.04 Details, Execution and Payment. Each Bond of each series shall be dated as of the date of authentication, and shall bear interest from the latest semi-annual interest payment date to which interest has been paid on the Bonds of such series preceding the date of authentication, unless such date of authentication is an interest payment date to which interest is being paid on the Bonds of such series, in which case it shall bear interest from such date of authentication, provided that Bonds of each series authenticated prior to the first interest payment date of such series shall bear interest from a date specified for such series, which date, in the case of the Series 2013 Bonds, shall be the date of their delivery.

The Bonds shall be executed by the manual or facsimile signature of the County Judge of the Issuer and attested by the manual or facsimile signature of its County Clerk and the seal of the Issuer or a facsimile thereof shall be affixed thereto or imprinted thereon.

All authorized facsimile signatures shall have the same force and effect as manual signatures.

In case any officer whose signature or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery, and also any Bond may be signed by or bear the facsimile signature of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of delivery of such Bond such persons may not have been such officers.

The principal of, redemption premium, if any, and interest on the Bonds shall be payable on or before the respective dates of payment therefor in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of, and redemption premium, if any, on all Bonds shall be payable at the principal corporate trust office of the Trustee, and payment of the interest on each Bond shall be made by the Trustee on each interest payment date to the person appearing on the registration books for the Bonds hereinafter provided for as the owner thereof, subject to Section 2.11 hereof, by check or draft mailed to such owner at his address as it appears on such registration books; provided however, interest payable at maturity of any Bond shall be payable to the person entitled to receive the principal of such Bond upon the presentation and surrender of such Bond. Payment of the principal of, and redemption premium, if any, on all Bonds shall be made upon the presentation and surrender of such Bonds as the same shall become due and payable.

The person in whose name any Bond of any series is registered at the close of business on any record date (as hereinafter defined) with respect to any interest payment date for the Bonds of such series shall be entitled to receive the interest payable on such interest payment date notwithstanding the cancellation of such Bond upon any transfer or exchange thereof subsequent to the record date and prior to such interest payment date, except if and to the extent there shall be a default in the payment of the interest due on such interest payment date, in which case such defaulted interest shall be paid to the person in whose name such Bond (or any Bond or Bonds issued, directly or after intermediate transactions, upon transfer or exchange or in substitution thereof) is registered on a subsequent record date for such payment established as hereinafter provided. A subsequent record date may be established by the Issuer at the direction of the Company by notice mailed to the Trustee and the holders of the Bonds of the affected series not less than ten days preceding such record date, which record date shall not be less than five nor more than thirty days prior to the subsequent interest payment date. The term "record date" as used in this Section 2.04 with respect to any regular interest payment date shall mean the fifteenth day of the month immediately preceding such interest payment date, if such interest payment date shall be the first day of a month, or the first day of the month in which such interest payment date shall fall, if such interest payment date shall be the fifteenth day of a month, or, if such day shall be a legal holiday or a day on which banking institutions in New York, New York are authorized by law to close, the immediately preceding day which shall not be a legal holiday or a day on which such institutions are so authorized to close.

Section 2.05 Authentication, Registration, Exchange, Transfer and Ownership of Bonds. Only such of the Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinabove set forth, duly executed by the Trustee, shall be entitled to any benefit or security under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized representative of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

Bonds, upon surrender thereof at the principal corporate trust office of the Trustee, together with an assignment duly executed by the owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same series and maturity, of any denomination or denominations authorized by this Indenture, and bearing interest at the same rate.

The Trustee is hereby appointed as bond registrar (the "Bond Registrar") and as such shall keep books for the registration and for the registration of transfer of Bonds as provided in this Indenture.

The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon surrender thereof to the Bond Registrar together with an assignment duly executed by the owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture in an aggregate principal amount equal to the principal amount of such Bond of the same series and maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Issuer shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be cancelled by the Trustee. The Issuer or the Trustee may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, and such charge shall be paid before any such new Bonds shall be delivered.

As to any Bond, the person in whose name the same 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, redemption premium, if any, or interest on any such Bond shall be made only to or upon the order of the owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid. Neither the Issuer, the Trustee, the Company nor the Bond Registrar shall be affected by any notice to the contrary.

Section 2.06 Delivery of Series 2013 Bonds; Application of Proceeds. (a) Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee and upon written direction of the Issuer, the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers thereof against payment therefor as directed by the Issuer as hereinafter in this Section 2.06 provided.

(b) Prior to the delivery by the Trustee of the Series 2013 Bonds, there shall be delivered to the Trustee:

(i) A copy, certified by the County Clerk of the Issuer, of the order or orders entered by the County Court of the Issuer authorizing, among other things, the execution and delivery of the Agreement and this Indenture and the issuance of the Series 2013 Bonds.

(ii) An executed counterpart of the Agreement, this Indenture, and the Supplemental Indenture pursuant to which the First Mortgage Bonds will be issued.

(iii) A certificate of the Company stating that the Company has approved the issuance of the Series 2013 Bonds, including the terms, manner of issuance, purchase price and disposition of the proceeds thereof.

(iv) A request and authorization to the Trustee on behalf of the Issuer, signed by the County Judge of the Issuer, to authenticate and deliver the Series 2013 Bonds to the purchasers therein identified upon payment to the Trustee, but for the account of the Issuer, of a sum specified in such request and authorization.

(v) A Note relating to the Series 2013 Bonds duly executed on behalf of the Company and assigned to the Trustee.

(vi) An opinion of nationally recognized counsel experienced on the subject of municipal bonds that the interest on the Series 2013 Bonds is excludable from gross income for federal income tax purposes, except for interest on any Series 2013 Bond for any period during which it is held by a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code.

(vii) A copy of the request filed by the Company with the Issuer for the redemption of all of the outstanding Prior Bonds.

(viii) The First Mortgage Bonds against receipt thereof by the Trustee.

(c) Upon the initial issuance and delivery of the Series 2013 Bonds, the Trustee shall deposit the proceeds from the sale of the Series 2013 Bonds with the Prior Trustee, which proceeds shall be applied, together with other moneys of the Company, solely to the redemption of all of the outstanding Prior Bonds within ninety (90) days after the date of initial issuance of the Series 2013 Bonds.

Section 2.07 Temporary Bonds. Until definitive Bonds are ready for delivery, there may be executed, and upon request of the Issuer, the Trustee shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, temporary printed, engraved, lithographed or typewritten Bonds, in the form of registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof, substantially of the tenor hereinabove set forth and with such appropriate omissions, insertions and variations as may be required.

Until definitive Bonds are ready for delivery, any temporary Bond may be exchanged at the principal corporate trust office of the Trustee, without charge to the holder thereof, for an equal aggregate principal amount of temporary Bonds of like tenor, of the same series and maturity and bearing interest at the same rate.

If temporary Bonds shall be issued, the Issuer shall cause the definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it at its principal corporate trust office of any temporary Bond, shall cancel the same and substitute and deliver in exchange therefor at the principal corporate trust office of the Trustee, without charge to the holder thereof, a definitive Bond or Bonds of an equal aggregate principal amount, of the same series and maturity and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

Section 2.08 Mutilated, Destroyed or Lost Bonds. In case any Bond secured hereby shall become mutilated or be destroyed or lost, the Issuer shall cause to be executed, and the Trustee shall authenticate and deliver, a new Bond of like date and tenor in substitution for and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed or lost, upon the holder's paying the reasonable expenses and charges of the Issuer and the Trustee in connection therewith and, in the case of a Bond destroyed or lost, his filing with the Trustee evidence satisfactory to it that such Bond was destroyed or lost, and of his ownership thereof, and furnishing the Issuer and the Trustee indemnity and/or security satisfactory to them.

Section 2.09 Destruction of Bonds. All Bonds paid, redeemed or purchased, either at or before maturity, shall be cancelled upon the payment, redemption or purchase of such Bonds and shall be delivered to the Trustee when such payment, redemption or purchase is made. All Bonds cancelled under any of the provisions of this Indenture shall be destroyed, in accordance with applicable law, by the Trustee, which shall execute a certificate in triplicate describing the Bonds so destroyed, and one executed certificate shall be filed with the Issuer and one with the Company and the other executed certificate shall be retained by the Trustee.

Section 2.10 Additional Bonds. Additional Bonds may be issued under and secured by this Indenture at one time or from time to time, in addition to the Series 2013 Bonds and, subject to the conditions hereinafter provided in this Section 2.10, for the purpose of providing funds for refunding any of the Bonds then Outstanding, including the payment of any redemption premium thereon, interest to accrue to the selected redemption date, any serial maturities to become due prior to the selected redemption date and any expenses in connection with such refunding (any such Additional Bonds to be identified as "Refunding Bonds"). Before any Additional Bonds shall be issued under the provisions of this Section 2.10, the County Court of the Issuer shall enter an order authorizing the issuance of such Additional Bonds, fixing the amount thereof and designating the Bonds Outstanding to be refunded with the proceeds of such Additional Bonds. Such Additional Bonds shall be designated, shall be stated to mature on such date or dates and in such year or years, shall bear interest, payable on such dates, at such rate or rates not exceeding the maximum rate then permitted by law, and may be made redeemable at such times and prices (subject to the provisions of Article III of this Indenture), as all may be provided by the resolution authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest or the provisions for redemption by sinking fund or otherwise, or as otherwise provided in the Agreement with regard to credit enhancement, if any, or additional first mortgage bonds of the Company to secure payments under the Agreement with respect to such Additional Bonds, if any, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 2013 Bonds.

Such Additional Bonds shall be executed substantially in the form and manner hereinabove set forth, with such appropriate variations, omissions and insertions as indicated in the preceding paragraph, and shall be deposited with the Trustee for authentication, but before such Additional Bonds shall be authenticated and delivered by the Trustee, there shall be delivered to the Trustee the following:

(a) A copy, certified by the County Clerk of the Issuer, of the order or orders entered by the County Court of the Issuer authorizing the issuance of such Additional Bonds in the amount specified therein, authorizing the acceptance and assignment of a Note relating to such Additional Bonds, and providing for the application of the proceeds thereof.

(b) A certificate of the Company stating that the Company has approved the issuance of such Additional Bonds, including the terms, manner of issuance, purchase price and disposition of the proceeds thereof, and the terms and conditions of any supplement to this Indenture entered into in connection with such Additional Bonds.

(c) An executed counterpart of any amendment to the Agreement and any supplement to this Indenture in connection with such Additional Bonds and, if applicable, credit enhancement or the delivery of a series of first mortgage bonds by the Company to secure payments under the Agreement with respect to such Additional Bonds.

(d) An opinion of nationally recognized counsel experienced on the subject of municipal bonds that the issuance of such Additional Bonds and the application of the proceeds of such Additional Bonds to the purpose or purposes described in the order or orders mentioned in clause (a) of this Section 2.10 will not result in the interest on any Bonds theretofore issued under this Indenture and then Outstanding or any portion thereof becoming included in gross income for federal income tax purposes, except for interest on any such Bond held by a "substantial user" of the Facilities or a "related person" as defined in Section 103(b)(13) of the 1954 Code (or any applicable successor provision of law).

(e) A Note relating to such Additional Bonds duly executed on behalf of the Company and assigned to the Trustee.

(f) A copy of the request filed by the Company with the Issuer for the refunding of such Bonds Outstanding, and a certified copy of the order or orders of the County Court of the Issuer with respect to such refunding.

(g) If applicable, a series of the Company's first mortgage bonds to secure payments under the Agreement with respect to such Additional Bonds and an executed counterpart of a supplemental indenture under the First Mortgage Bonds Indenture relating to such first mortgage bonds.

(h) If applicable, credit enhancement for such Additional Bonds.

(i) Written direction of the Issuer to the Trustee to authenticate such Additional Bonds.

Section 2.11 Book Entry System.

(a) Notwithstanding anything to the contrary herein, so long as a series of Bonds is being held under a book entry system, transfers of beneficial ownership of the Bonds of such series will be effected pursuant to rules and procedures established by the Securities Depository.

(b) As long as a book entry system is in effect for a series of Bonds, the Securities Depository Nominee will be recognized as the holder of the Bonds of such series for the purposes of (1) paying the principal of, redemption premium, if any, or interest on such Bonds, (2) if Bonds of such series are to be redeemed in part, selecting the portions of such Bonds to be redeemed, (3) giving any notice permitted or required to be given to holders under this Indenture, (4) registering the transfer of such Bonds, and (5) requesting any consent or other action to be taken by the holders of such Bonds, and for all other purposes whatsoever, and neither the Trustee nor the Issuer shall be affected by any notice to the contrary.

(c) Neither the Trustee nor the Issuer shall have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in any Bonds which are registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository and the Securities Depository Nominee, as holder of such Bonds.

(d) The Trustee shall pay all principal of, redemption premium, if any, and interest on Bonds issued under a book entry system, only to the Securities Depository, or the Securities Depository Nominee, as the case may be, for such Bonds, pursuant to a letter of representations or similar agreement with the Securities Depository and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of, redemption premium, if any, and interest on such Bonds. The Issuer and the Trustee acknowledge that the terms and provisions of such letter of representations or similar agreement shall govern in the event of any inconsistency between the provisions of this Indenture and such letter of representations or similar agreement.

(e) In the event that the Issuer determines, at the direction of the Company, to discontinue the book entry system of transfer for a series of Bonds, or that the interests of the beneficial owners of the Bonds of such series may be adversely affected if the book entry system is continued, then the Issuer shall notify the Securities Depository and the Trustee of such determination. In such event, the Issuer shall execute and the Trustee shall authenticate, register and deliver physical certificates in authorized denominations for Bonds of such series in exchange for the Bonds registered in the name of the Securities Depository Nominee, at the expense of the Company, to such Persons, and in such maturities and principal amounts, as may be designated by the Securities Depository, but without any liability on the part of the Issuer, the Company or the Trustee for the accuracy of such designation; provided, in addition, that any Bonds of such series shall be in registered form within the meaning of Section 149(a) of the Code.

(f) In the event that the Securities Depository for a series of Bonds discontinues providing its services, the Issuer, at the direction of the Company, shall either engage the services of another Securities Depository or deliver physical certificates in the manner described in clause (e) above; provided, in addition, that any Bonds of such series shall be in registered form within the meaning of Section 149(a) of the Code.

(g) In connection with any notice or other communication to be provided to the holders of a series of Bonds by the Issuer or by the Trustee with respect to any consent or other action to be taken by the holders, the Issuer or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

(h) The Series 2013 Bonds shall be issued initially in the form of one global certificate, without coupons, in the aggregate principal amount of the Series 2013 Bonds, under the book entry system maintained by The Depository Trust Company, New York, New York ("DTC"), as the initial Securities Depository, and shall be registered in the name of Cede & Co., as the initial Securities Depository Nominee for the Series 2013 Bonds. As long as the Series 2013 Bonds are maintained by DTC under its book entry system, all payments with respect to the principal of and interest on the Series 2013 Bonds and notices to the holders of the Series 2013 Bonds shall be made and given, respectively, to DTC pursuant to a letter of representations with DTC.

ARTICLE III

REDEMPTION OF BONDS BEFORE MATURITY

Section 3.01 Optional Redemption. The Series 2013 Bonds will not be subject to optional redemption by the Issuer prior to maturity except as set forth in Section 3.02 hereof.

Section 3.02 Extraordinary Optional Redemptions. The Series 2013 Bonds will be subject to optional redemption by the Issuer, at the written direction of the Company pursuant to Section 4.9 of the Agreement, in whole but not in part, at any time, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest thereon to the redemption date if:

- (a) all or substantially all of the Facilities or the Plant shall have been condemned or taken by eminent domain; or
- (b) the operation of the Facilities or the Plant shall have been enjoined or shall have otherwise been prohibited by an order, decree, rule or regulation of any court or of any federal, state or local regulatory body, administrative agency or other governmental body.

The Series 2013 Bonds will also be subject to optional redemption by the Issuer, at the written direction of the Company pursuant to Section 4.9 of the Agreement, in whole but not in part, at any time, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest thereon to the redemption date, if the Company shall have consolidated with or merged with or into another corporation, or a limited liability company, partnership or trust, or sold or otherwise transferred all or substantially all of its assets.

In addition, the Series 2013 Bonds will also be subject to optional redemption by the Issuer, at the written direction of the Company, pursuant to Section 4.9 of the Agreement, in whole or in part, at any time, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date, if the Company delivers to the Trustee a written certificate (a) to the effect that (i) by reason of a change in use of the Facilities or any portion or portions thereof, the Company has been unable, after reasonable effort and absent such redemption or a defeasance of the Bonds, to obtain an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that a court, in a properly presented case, should decide that (A) Section 150 of the Code (or successor provision of similar import), does not prevent that portion of the Loan payable under the Agreement and attributable to interest on the Series 2013 Bonds from being deductible by the Company for federal income tax purposes, or (B) the compliance by the Company with the provisions of Treasury Department Regulations Section 1.142-2 (or successor provision of similar import) does not prevent interest on the Series 2013 Bonds from being excludable from gross income (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended ("1954 Code")) or (ii) the Company has abandoned (or has been determined by the Internal Revenue Service to have abandoned) its interest in the Facilities, (b) specifying that as a result of its inability to obtain such opinion of nationally recognized counsel experienced on the subject of municipal bonds or such abandonment, the Company has elected to prepay amounts due under the Agreement equal to the redemption price of the Series 2013 Bonds (or portion thereof) to be so redeemed, and (c) specifying the principal amount of the Series 2013 Bonds which the Company has determined to be the minimum necessary to be so redeemed in order for the Company to retain its rights to such interest deductions and the interest payable on the Series 2013 Bonds to retain its excludability from gross income under Section 103 of the 1954 Code (other than for an owner who is a "substantial user" of the Facilities or a "related person" as those terms are used and defined in the 1954 Code) (which principal amount of the Series 2013 Bonds will be so redeemed).

Section 3.03 Special Mandatory Redemption. The Series 2013 Bonds are subject to mandatory redemption, at a redemption price equal to 100% of the principal amount being redeemed plus accrued and unpaid interest thereon to the redemption date, on the 180th day (or such earlier date as may be designated by the Company) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Company of an opinion of nationally recognized counsel experienced on the subject of municipal bonds obtained by the Company and rendered at the request of the Company, to the effect that as a result of a failure by the Company to observe any covenant, agreement or representation contained in the Agreement or the Issuer to observe any covenant, agreement or representation in this Indenture, the interest payable on the Series 2013 Bonds is not excludable for federal income tax purposes from the gross income of the owners thereof (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code) or would not be in the absence of such mandatory redemption. No determination by any court or administrative agency will be considered final unless the Company has received timely notice of and has had an opportunity to participate in the proceeding which resulted in such determination. The Series 2013 Bonds will be redeemed, either in whole or in part, in such principal amount that the interest payable on the Series 2013 Bonds remaining Outstanding after such redemption would not under Section 103 of the 1954 Code be included in the gross income of any owner thereof (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code).

Section 3.04 Notice of Redemption.

(a) In the case of an optional redemption by the Issuer, the Issuer, at the written direction of the Company pursuant to Section 4.9 of the Agreement, shall give written notice to the Trustee directing the Trustee to take all action necessary to redeem the outstanding Bonds in whole, or in part, as the case may be, and on a date specified in such notice, which redemption date shall be not less than thirty (30) nor more than ninety (90) days from the date the notice is received by the Trustee.

(b) At least twenty-five (25) days but not more than sixty (60) days before the redemption date of any Bonds, either in whole or in part, the Trustee shall cause a notice of any such redemption to be mailed, first class mail, postage prepaid, to all owners of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books hereinabove provided for. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued. Notwithstanding anything to the contrary set forth above, while any Bonds are in book-entry form, any notice of redemption required hereunder shall be given in accordance with the procedures of DTC or any successor or replacement Securities Depository.

(c) With respect to notice of redemption of any Bonds at the option of the Issuer (at the written direction of the Company pursuant to Section 4.9 of the Agreement), unless moneys sufficient to pay the principal of, redemption premium, if any, and interest on any such Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice, such notice may state that said redemption shall be conditioned upon the receipt of such moneys by the Trustee on or prior to the date fixed for such redemption. If such moneys shall not have been so received, such notice shall be of no force and effect, the Issuer shall not redeem such Bonds and the Trustee shall give notice to the owners of all Bonds which were to have been redeemed, in the manner in which the notice of redemption was given, that such moneys were not so received.

Section 3.05 Effect of Call for Redemption. On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption for such Bonds or portions of Bonds on such date, and moneys for payment of the redemption price and accrued interest to the redemption date being held by the Trustee in a separate account in the Bond Fund in trust for the holders of the Bonds or portions thereof to be redeemed, all as provided in this Indenture, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds or portions of Bonds shall cease to be entitled to any benefit or security under this Indenture, and the holder of such Bonds or portions of Bonds shall have no rights in respect thereof or in respect of this Indenture except to receive payment of the redemption price thereof and accrued and unpaid interest to the redemption date.

Section 3.06 Partial Redemption. (a) In case part but not all of an outstanding Bond shall be selected for redemption, the owner thereof or his attorney or legal representative shall present and surrender such Bond to the Trustee for payment of the principal amount thereof so called for redemption, and the Issuer shall execute and the Trustee shall authenticate and deliver to or upon the order of such owner or his attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond of the same series and maturity and bearing interest at the same rate.

(b) In addition, if less than all of the Bonds of a series shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Trustee by lot or in such other random manner as the Trustee in its discretion may determine.

Section 3.07 Funds in Trust; Unclaimed Funds. All moneys which the Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside, or deposited with the paying agents, for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the respective holders of such Bonds. But any moneys which shall be so set aside or deposited by the Trustee and which shall remain unclaimed by the holders of such Bonds for a period of one (1) year after the date on which such Bonds shall have become due and payable shall upon request in writing be paid to the Company or to such officer, board or body as may then be entitled by law to receive the same, and thereafter the holders of such Bonds shall look only to the Company or to such officer, board or body, as the case may be, for payment and then only to the extent of the amount so received without any interest thereon, and the Trustee, the Issuer and the paying agents shall have no responsibility with respect to such moneys.

ARTICLE IV

GENERAL COVENANTS

Section 4.01 Payment of Principal, Redemption Premium, If Any, and Interest. The Issuer covenants that it will promptly pay the principal of, redemption premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof, but only from the payments made or to be made under the Agreement, pursuant to the First Mortgage Bonds and pursuant to any Note by the Company specifically pledged herein for such purposes.

Section 4.02 Performance of Covenants; Issuer. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Issuer represents that it is duly authorized under the Constitution and laws of the State of Arkansas, including particularly and without limitation, the Act, to issue the Bonds authorized hereby and to execute this Indenture, to accept, assign and pledge the Notes and the Agreement and the amounts payable under the Notes and to pledge the amounts hereby pledged in the manner and to the extent herein set forth; that it has the authority to direct the Trustee's acceptance of the First Mortgage Bonds; that all action on its part necessary for the issuance of the Series 2013 Bonds, including the execution and delivery of this Indenture and the Agreement, has been duly and effectively taken and that all action on its part necessary for the issuance of any Additional Bonds will be duly and effectively taken; that the Series 2013 Bonds in the hands of the owners thereof are and will be valid and enforceable obligations of the Issuer according to the terms thereof and hereof; and that any Additional Bonds in the hands of the owners thereof will be valid and enforceable obligations of the Issuer according to the terms thereof and hereof.

Section 4.03 Instruments of Further Assurance. The Issuer covenants that, at the direction and expense of the Company, it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better pledging and assigning unto the Trustee of all and singular the rights to payments under the Notes, the Agreement and any other income and other moneys pledged hereby to the payment of the principal of, redemption premium, if any, and interest on the Bonds. The Issuer further covenants that it will not create or suffer to be created any lien, encumbrance or charge upon the Facilities or any part thereof, the Notes or the Agreement except the lien of this Indenture.

Section 4.04 Recordation. The Issuer covenants that, at the direction and expense of the Company, it will cause all instruments as may be necessary to perfect and preserve the security interest created by this Indenture to be recorded or filed in such manner and in such places as may be required by law. Copies of all such instruments shall be provided to the Trustee. In the event the Issuer fails to record or file such instruments as may be necessary to preserve the security interest created by this Indenture, the Trustee, at the expense of the Company, is authorized to cause such recordings and filings to be made.

Section 4.05 Rights Under Agreement. The Agreement, a duly executed counterpart of which has been filed with the Trustee, sets forth the covenants and obligations of the Issuer and the Company, and reference is hereby made to the same for a detailed statement of said covenants and obligations of the Company thereunder; and the Issuer agrees that the Trustee in its own name or in the name of the Issuer may enforce all rights of the Issuer and all obligations of the Company under and pursuant to the Agreement for and on behalf of the Bondholders, whether or not the Issuer is in default hereunder.

Section 4.06 Designation of Additional Paying Agents.

The Issuer shall cause, at the direction of the Company, the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of additional paying agents and for providing for the payment of such of the Bonds as shall be presented when due at the principal corporate trust office of the Trustee, or its successor in trust hereunder, or at the principal office of said additional paying agents. All such funds held by said additional paying agents shall be held by each of them in trust and shall constitute a part of the trust estate and shall be subject to the security interest created hereby.

Section 4.07 Compliance by Issuer.

The Issuer covenants that it will comply with all valid acts, rules, regulations and orders of any legislative, executive, judicial or administrative body applicable to the Facilities and the matters herein provided for.

Section 4.08 Continuing Disclosure. Pursuant to Section 4.11 of the Agreement, the Company has covenanted and agreed that it will assume all responsibility for compliance with the continuing disclosure requirements set forth in the Undertaking. Neither the Trustee nor the Issuer shall have any liability to the underwriters of the Bonds, the holders of the Bonds or any other Person with respect to such disclosure matters. Notwithstanding any other provision of this Indenture, failure of the Company to comply with the Undertaking shall not be considered an Event of Default under this Indenture; however, the Trustee may (and, at the request of the underwriters of the Bonds or the holders of at least twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, shall) or any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Company to comply with its obligations under Section 4.11 of the Agreement.

ARTICLE V

REVENUES AND FUNDS

Section 5.01 Source of Payment of Bonds. The Bonds authenticated and delivered hereunder are the obligations of the Issuer, and the Issuer shall make payments hereunder in respect of the principal of, redemption premium, if any, and interest on such Bonds. Such Bonds are not general obligations of the Issuer or the State of Arkansas or any county, municipality or political subdivision thereof, but are limited special obligations payable solely from revenues and proceeds derived from the Notes, the Agreement, the First Mortgage Bonds and as provided herein.

Section 5.02 Creation of Bond Fund. There is hereby created and established with the Trustee a trust fund to be designated "Independence County, Arkansas Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 Bond Fund" (hereinafter referred to as the "Bond Fund"). Moneys deposited therein shall be used to pay the principal of, redemption premium, if any, and interest on the Bonds as provided in this Indenture.

Section 5.03 Payments into the Bond Fund. There shall be deposited into the Bond Fund, as and when received, (a) all repayments of the Loan and interest thereon made pursuant to the Notes and the Agreement by the Company; (b) all payments, if any, made to the Trustee as holder of the First Mortgage Bonds; and (c) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement which are required, or which are accompanied by directions from the Company that such moneys are, to be paid into the Bond Fund. The Issuer hereby covenants and agrees that, so long as any of the Bonds are Outstanding, it will deposit, or cause to be paid to the Trustee for deposit in the Bond Fund for its account, sufficient sums from revenues derived pursuant to the Notes, the Agreement and the First Mortgage Bonds promptly to meet and pay the principal of, redemption premium, if any, and interest on the Bonds as the same become due and payable; provided, however, that nothing herein shall be construed as requiring the Issuer to use any funds or revenues from any source other than revenues derived pursuant to the Notes, the Agreement and the First Mortgage Bonds. The Trustee is authorized to receive at any time payments or prepayments from the Company pursuant to the Notes, the Agreement and the First Mortgage Bonds for deposit in the Bond Fund.

Section 5.04 Use of Moneys in the Bond Fund. Except as provided in this Indenture, moneys deposited into the Bond Fund shall be used solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds. Upon receipt of a written notice from the Company pursuant to Section 4.9 of the Agreement or in the case of a directed purchase of Bonds, upon the deposit of cash or Government Obligations in the Bond Fund sufficient, together with other amounts available therefor in the Bond Fund, to make the directed purchase of Bonds, the Issuer and the Trustee covenant and agree to take and cause to be taken the necessary steps to redeem or purchase such principal amount of Bonds as specified by the Company in such written notice; provided, however, that any available moneys in the Bond Fund may be used on direction of the Company to redeem a part of the Bonds Outstanding then redeemable or to purchase Bonds for cancellation so long as the Company is not in default with respect to any payments required pursuant to the Notes and the Agreement and to the extent said moneys are in excess of the amount required for payment of the Bonds theretofore matured or called for redemption and interest accrued and payable in respect of such Bonds Outstanding.

Section 5.05 Custody of the Bond Fund. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of, redemption premium, if any, and interest on the Bonds as the same become due and payable and to make said funds so withdrawn available to the paying agents hereunder at their principal office, for the purpose of paying said principal, redemption premium, if any, and interest, which authorization and direction the Trustee hereby accepts.

Section 5.06 Non-presentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption or purchase thereof, if funds sufficient to pay such Bond shall have been deposited in the Bond Fund or otherwise made available to the Trustee through deposit therein as provided in Section 5.03 hereof, all liability of the Issuer to the holder thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds within a separate account, subject to the provisions of Section 3.07 hereof, without liability for interest thereon, for the benefit of the holder of such Bond, which shall thereafter (subject to the provisions of Section 3.07 hereof) be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond.

Section 5.07 Moneys to Be Held in Trust. All moneys required to be deposited with or paid to the Trustee for the account of the Bond Fund under any provision of this Indenture shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the redemption of Bonds or the payment of Bonds including Bonds which are deemed to be paid within the meaning of Section 7.01 hereof, shall, while held by the Trustee, constitute part of the trust estate and be subject to the security interest created hereby.

Section 5.08 Repayment to the Company from the Bond Fund. Any amounts remaining in the Bond Fund (other than moneys, if any, set aside as provided in Sections 3.05, 3.07, 5.06 and 7.01 hereof), after payment in full of the Bonds (or provision for payment thereof having been made in accordance with this Indenture), the fees and expenses of the Issuer, the Trustee and any additional paying agent and all other amounts required to be paid hereunder and under the Rebate Agreement (as confirmed in writing to the Trustee), shall be repaid to the Company as provided in Section 6.5 of the Agreement.

Section 5.09 Transfers to Rebate Fund. Anything contained in this Indenture to the contrary notwithstanding (a) the "Rebate Fund" established under the Arbitrage Rebate Agreement by and among the Issuer, the Trustee and the Company, dated as of January 1, 2013, and related to the Series 2013 Bonds (the "Rebate Agreement") shall not be considered part of the "trust estate" created or pledged by this Indenture and (b) the Trustee shall be permitted, from time to time, to transfer money on deposit in the Bond Fund to the Rebate Fund established under the Rebate Agreement to satisfy the provisions of the Rebate Agreement.

ARTICLE VI

INVESTMENTS, ETC.

Section 6.01 Investment of Bond Fund Moneys. Any moneys held in the Bond Fund shall be invested and reinvested by the Trustee, at the request of, and as orally directed by, the Company, confirmed in writing, in Government Obligations and/or other obligations or securities then permitted by law. Such investments may be made through the investment department of the Trustee. Any such investments shall be held by or under the control of the Trustee and shall be deemed at all times to be a part of the Bond Fund and the interest accruing thereon and any profit realized from such investments shall be credited to the Bond Fund and any loss resulting from such investments shall be charged to the Bond Fund. The Trustee, upon oral direction of the Company confirmed in writing, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in the Bond Fund is insufficient to pay the principal of, redemption premium, if any, or interest on the Bonds when due.

Section 6.02 Tax Covenants. Neither the Issuer nor the Company will directly or indirectly use or permit the use of any proceeds of the Bonds or of the Facilities or any other funds of the Issuer or the Company, or take or omit to take any action that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code or result in the loss of the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds to the extent afforded under the 1954 Code or the Code. To that end, the Issuer and the Company will also comply with all requirements of the Code and the 1954 Code to the extent applicable to the Bonds. In the event that at any time the Issuer or the Company is of the opinion that for purposes of this Section 6.02 it is necessary to restrict or limit the yield on the investment of any moneys held by the Trustee under this Indenture, the Issuer or the Company shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

The Company, the Issuer and the Trustee covenant to comply with the provisions of the Rebate Agreement as the Rebate Agreement may be amended or supplemented in accordance with its terms, and in compliance therewith, the Issuer hereby agrees to establish with the Trustee a Rebate Fund under the Rebate Agreement, which shall not be a trust fund under this Indenture, and the terms of and provisions governing which shall be set forth in the Rebate Agreement; provided that said compliance shall not be required if the Issuer or the Company delivers to the Trustee an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that compliance is not required to preserve the exclusion from gross income for federal income tax purposes of interest paid on the Bonds. In the event of any conflict between the provisions of the Rebate Agreement and the provisions of this Indenture, the provisions of the Rebate Agreement shall govern.

The covenants of this Section 6.02 shall survive payment in full or defeasance of the Bonds. The obligations imposed upon the Company by this Section have been acknowledged and accepted by the Company in Section 4.10 of the Agreement.

ARTICLE VII

RELEASE OF LIEN

Section 7.01 Release of Lien. If, when any of the Bonds shall have become due and payable in accordance with their terms as provided in this Indenture or shall have been duly called for redemption or irrevocable instructions to call such Bonds for redemption shall have been given by the Issuer to the Trustee, the whole amount of the principal, redemption premium, if any, and interest so due and payable upon such Bonds shall be paid or sufficient cash or Government Obligations non-callable by the issuer thereof, the principal of and the interest on which when due will provide, without investment or reinvestment, sufficient cash, shall be held by the Trustee or the paying agents for such purpose under the provisions of this Indenture, then and in that case such Bonds shall cease to be secured by the lien of this Indenture, and the Trustee in such case, on demand of the Issuer or the Company and at the direction of the Company, shall release the lien of this Indenture with respect to such Bonds and shall execute such documents to evidence such release as may be reasonably required by the Issuer or the Company.

All moneys and obligations held by the Trustee or the paying agents pursuant to this Section shall be held in trust and applied to the payment, when due, of the principal of, redemption premium, if any, and interest on such Bonds.

Notwithstanding the satisfaction and discharge of this Indenture, the rights of the Trustee under Sections 9.02, 9.05 and 9.06 hereof, the obligations of the Trustee under Sections 5.04, 5.06 and 5.07 hereof and the obligations of the Company under Section 6.02 hereof, shall survive, anything in this Indenture to the contrary notwithstanding.

ARTICLE VIII

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 8.01 Events of Default. If any of the following events occur, it is hereby defined and declared to be and to constitute an "Event of Default":

- (a) failure to pay an installment of interest on any Bond after such interest has become due for a period of sixty (60) days; or
- (b) failure to pay when due the principal of, or redemption premium, if any, on any Bond, whether at the stated maturity thereof, or upon unconditional proceedings for redemption thereof, or upon the maturity thereof by acceleration; or
- (c) the occurrence of an "event of default" under Section 5.1(c) of the Agreement; or
- (d) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in this Indenture or in the Bonds, and continuance thereof for the period after notice specified in Section 8.13 hereof.

Section 8.02 Acceleration. Upon the occurrence of an Event of Default described in clause (a) or (b) of Section 8.01 hereof the Trustee may, and, upon the written request of the holders of not less than 25% in aggregate principal amount of Bonds then Outstanding, shall, by notice in writing delivered to the Issuer and the Company, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable; and such principal and interest shall thereupon become and be immediately due and payable.

Upon the occurrence and continuance of an Event of Default described in clause (c) of Section 8.01 hereof, and further upon the condition that, in accordance with the terms of the First Mortgage Bonds Indenture, the First Mortgage Bonds shall have become immediately due and payable pursuant to any provision of the First Mortgage Bonds Indenture, the Bonds shall, without further action, become and be immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and the Trustee shall give notice thereof in writing to the Issuer and the Company.

If, after the principal of the Bonds has been so declared to be due and payable, all arrears of interest and interest on overdue installments of interest (if lawful) at the rate per annum borne by the Bonds and the principal and redemption premium, if any, on all Bonds then Outstanding which shall have become due and payable otherwise than by acceleration, and interest on such principal (if lawful) at the rate per annum borne by the Bonds, and all other sums payable under this Indenture or upon the Bonds, except the principal of, and interest on, the Bonds which by such declaration shall have become due and payable, are paid by the Issuer, and the Issuer also performs all other things in respect of which it may have been in default hereunder and pays the reasonable charges of the Issuer, the Trustee, the Bondholders and any trustee appointed under law, including the Trustee's reasonable attorneys' fees, then, and in every such case, the Trustee shall annul such declaration and its consequences, and such annulment shall be binding upon all holders of Bonds issued hereunder; but no such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon. The Trustee shall forward a copy of any such annulment notice pursuant to this paragraph to the Issuer and the Company.

Section 8.03 Other Remedies. If any Event of Default occurs and is continuing, except as otherwise provided in Section 8.12 hereof, the Trustee, before or after declaring the principal of the Bonds immediately due and payable, may enforce each and every right granted to it under the Notes and the Agreement (including as a holder of the First Mortgage Bonds) and any supplements or amendments thereto for the benefit of the Bondholders. In exercising such rights and the rights given the Trustee under this Article VIII, the Trustee shall take such action as, in the judgment of the Trustee applying the standards described in Section 9.01(a) hereof, would best serve the interests of the Bondholders.

Section 8.04 Legal Proceedings by Trustee. If any Event of Default has occurred and is continuing, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in aggregate principal amount of all Bonds then Outstanding and receipt of indemnity and/or security to its satisfaction shall, in its own name:

- (a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders;
- (b) bring suit upon the Bonds; or
- (c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

No remedy conferred upon or reserved to the Trustee or to the Bondholders by the terms of this Indenture is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and every such right and power may be exercised from time to time as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Section 8.05 Right of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of Bonds then Outstanding shall have the right, upon providing the Trustee indemnity and/or security to its satisfaction, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law or of this Indenture or unduly prejudice the rights of minority Bondholders.

Section 8.06 Appointment of Receivers. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall, to the extent permitted by law, be entitled as a matter of right to the appointment of a receiver or receivers of the trust estate with such powers as the court making such appointment shall confer.

Section 8.07 Waiver. Upon the occurrence of an Event of Default, to the extent that such rights may then lawfully be waived, neither the Issuer, nor the State of Arkansas, nor any political subdivision thereof, nor anyone claiming through or under any of them, shall set up, claim, or seek to take advantage of any appraisal, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Indenture, and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

Section 8.08 Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article VIII shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys (except moneys held in separate accounts by the Trustee pursuant to Sections 3.05, 3.07, 5.06 and 7.01 hereof) in the Bond Fund shall be applied as follows:

- (a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST: To the payment of all amounts owed the United States of America under the Rebate Agreement;

SECOND: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

THIRD: To the payment to the persons entitled thereto of the unpaid principal of and redemption premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

- (b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of all amounts owed the United States of America under the Rebate Agreement and then to the payment of the principal and interest then due upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

- (c) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article VIII then, subject to the provisions of subsection (b) of this Section 8.08 in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a) of this Section 8.08.

Whenever moneys are to be applied pursuant to the provisions of this Section 8.08, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all principal of, redemption premium, if any, and interest on all Bonds have been paid under the provisions of this Section 8.08 and all expenses and charges of the Issuer, the Trustee and any paying agents have been paid and all amounts owed the United States of America under the Rebate Agreement have been paid, any balance remaining in the Bond Fund shall be paid to the Company as provided in Section 5.08 hereof.

Section 8.09 Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or proceedings relating thereto; and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any holders of the Bonds; and any recovery of judgment shall be for the equal and ratable benefit of the holders of the Bonds then Outstanding.

Section 8.10 Rights and Remedies of Bondholders. No holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in Section 9.01(h) hereof, or of which by said subsection it is deemed to have notice, (b) such default shall have become an Event of Default and the holders of not less than 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) such holders have offered to the Trustee security and/or indemnity as provided in Section 9.01(i) hereof, and (d) the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name within a reasonable time; and such notification, request and offer of security and/or indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the holders of all Bonds then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of, redemption premium, if any, and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of, redemption premium, if any, and interest on each of the Bonds issued hereunder to the respective holders thereof at the time and place, from the source and in the manner in the Bonds expressed.

Section 8.11 Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, or otherwise, and such proceedings shall have been continued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 8.12 Waivers of Events of Default. The Trustee may in its discretion waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal, and shall do so upon the written request of the holders of (a) not less than two-thirds in aggregate principal amount of Bonds then Outstanding in respect of which default in the payment of principal and/or interest exists, or (b) more than 50% in aggregate principal amount of all Bonds then Outstanding in the case of any other default; provided, however, that there shall not be waived or rescinded (1) any Event of Default in the payment of the principal of any Bonds then Outstanding when due or (2) any default in the payment when due of the interest on any such Bonds, unless, prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate per annum borne by the Bonds in respect of which such default shall have occurred on overdue installments of interest, all arrears of payments of principal, with interest (to the extent permitted by law) at the rate per annum borne by the Bonds, when due, as the case may be, and all expenses of the Trustee in connection with such default shall have been paid or provided for, and in case any such waiver or rescission, or in the case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

The provisions of this Section 8.12 are subject to the condition that any waiver of any "Default" under the First Mortgage Bonds Indenture and a rescission and annulment of its consequences shall constitute a waiver of the corresponding Event or Events of Default under Section 8.01(c) hereof and a rescission and annulment of the consequences thereof, but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

Section 8.13 Notice of Default under Section 8.01(d); Opportunity of Issuer and the Company to Cure Such Default. Anything herein to the contrary notwithstanding, no default under Section 8.01(d) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the Issuer and the Company by the Trustee or by the holder or holders of not less than 25% in aggregate principal amount of all Bonds Outstanding (with a copy to the Trustee) and the Issuer and the Company shall have had ninety days after receipt of such notice to correct said default or cause said default to be corrected within the applicable period; provided, however, if said default is such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the Company within the applicable period and diligently pursued until the default is corrected.

With regard to any alleged default concerning which notice is given to the Issuer and the Company under the provisions of this Section 8.13, the Issuer hereby grants the Company full authority for the account of the Issuer to perform any covenant or obligation alleged in said notice to constitute a default, in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do and perform any such things and acts with power of substitution.

In the event that the Trustee fails to receive any amount when due under the Notes and the Agreement, the Trustee shall immediately give written notice to the Company and the Issuer specifying such failure.

ARTICLE IX

THE TRUSTEE

Section 9.01 Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of any Event of Default and after the curing or waiver of all events of default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent corporate trustee would exercise or use under the circumstances in the enforcement of a corporate indenture.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters relating to the trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Company), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or inaction in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture, or any other instrument required by law, the Bonds, or for insuring the Facilities or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if it were not the Trustee. To the extent permitted by law, the Trustee may also receive tenders and purchase in good faith Bonds from itself, including any department, affiliate or subsidiary, with like effect as if it were not the Trustee.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon owners of Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate of the Issuer, signed by its County Judge and attested by its County Clerk, or of the Company, signed by an Authorized Company Representative, as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in subsection (h) of this Section 9.01, or of which by said subsection it is deemed to have notice, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the County Clerk of the Issuer under the Issuer's seal to the effect that an order in the form therein set forth has been entered by the County Court of the Issuer as conclusive evidence that such order has been duly entered, and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and it shall not be answerable for other than its negligence or willful default.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the Issuer to cause to be made any of the payments to the Trustee required to be made by Article IV hereof or the existence of an Event of Default described in Section 8.01(d) hereof, unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer or by the holders of at least 25% in aggregate principal amount of Bonds then Outstanding; and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(i) Subject to the provisions of the Plant Agreements, at any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right fully to inspect all books, papers and records of the Issuer pertaining to the Facilities and the Bonds.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee, which the Trustee in its discretion may deem desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action referred to in Sections 8.02, 8.03, 8.04, 8.10, 8.12 or 9.04 hereof, the Trustee may require that satisfactory security and/or indemnity be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default by reason of any action so taken.

(m) All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required herein or by law. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be mutually agreed upon.

(n) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

Section 9.02 Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a first lien, with right of payment prior to payment on account of principal of, redemption premium, if any, and interest on any Bond, upon the trust estate for the foregoing fees, charges and expenses incurred by it.

Section 9.03 Notice to Bondholders if an Event of Default Occurs. If an Event of Default occurs of which the Trustee is by Section 9.01(h) hereof required to take notice or if notice of an Event of Default is given as in Section 9.01(h) provided, then the Trustee shall promptly give written notice thereof by registered or certified mail to each owner of Bonds then Outstanding.

Section 9.04 Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of the owners of the Bonds, the Trustee may intervene on behalf of the Bondholders and shall do so if requested in writing by the owners of at least 25% of the aggregate principal amount of Bonds then Outstanding. The rights and obligations of the Trustee under this Section 9.04 are subject to the approval of a court of competent jurisdiction.

Section 9.05 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, *ipso facto*, shall be and become successor Trustee hereunder and vested with all of the title to the trust estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 9.06 Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving thirty days' written notice to the Issuer and the Company, served personally or sent by registered or certified mail, and to each owner of Bonds then Outstanding, sent by registered or certified mail, and such resignation shall take effect at the end of such thirty days if a successor Trustee has been appointed at such time pursuant to Section 9.08 hereof, or upon the later appointment of a successor Trustee pursuant to Section 9.08 hereof.

Section 9.07 Removal of Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered (a) to the Trustee and to the Issuer and the Company, and signed by the owners of a majority in aggregate principal amount of Bonds then Outstanding, or (b) to the Trustee and the owners of all Bonds then Outstanding, and signed by the Issuer and the Company.

Section 9.08 Appointment of Successor Trustee Etc. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the Issuer at the direction of the Company. The Issuer shall cause notice of such appointment to be given in the same manner as the giving of notices of redemption as set forth in Section 3.04 hereof. If the Issuer fails to make such appointment promptly, a successor may be appointed by the owners of a majority in aggregate principal amount of Bonds then Outstanding. Every such successor Trustee appointed pursuant to the provisions of this Section 9.08 shall be a trust company or bank duly authorized to exercise trust powers and subject to examination by federal or state authorities, in good standing and having a reported capital, surplus and undivided profits of not less than \$75,000,000, if there be such an institution willing, qualified and able to accept the trusts upon reasonable and customary terms.

Section 9.09 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all of the estates, including the First Mortgage Bonds, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article IX, shall be filed and/or recorded by the successor Trustee in each recording office, if any, where this Indenture shall have been filed and/or recorded and the successor Trustee shall bear the cost thereof.

Section 9.10 Successor Trustee as Bond Registrar, Custodian of Bond Fund and Paying Agent. In the event of a change of Trustee, the Trustee which has resigned or been removed shall cease to be Bond Registrar, custodian of the Bond Fund and a paying agent for principal of, redemption premium, if any, and interest on the Bonds, and the successor Trustee shall become such Bond Registrar, custodian of the Bond Fund and a paying agent.

Section 9.11 Trustee and Issuer Required to Accept Directions and Actions of Company. Whenever, after a reasonable and timely request by the Company, the Issuer shall fail, refuse or neglect to give any direction to the Trustee or to require the Trustee to take any action which the Issuer is required to have the Trustee take pursuant to the provisions of the Agreement or this Indenture, the Company as agent of the Issuer may give any such direction to the Trustee or require the Trustee to take any such action, and the Trustee is hereby irrevocably empowered and directed to accept such direction from the Company as sufficient for all purposes of this Indenture. The Company shall have the right as agent of the Issuer to cause the Trustee to comply with any of the Trustee's obligations under this Indenture to the same extent that the Issuer is empowered so to do.

Certain actions or failures to act by the Issuer under this Indenture may create or result in an Event of Default under this Indenture and the Company, as agent of the Issuer, may to the extent permitted by law perform any and all acts or take such action as may be necessary for and on behalf of the Issuer to prevent or correct said Event of Default and the Trustee shall take or accept such performance by the Company as performance by the Issuer in such event.

The Issuer hereby makes, constitutes and appoints the Company irrevocably as its agent to give all directions, do all things and perform all acts provided, and to the extent so provided, by this Section 9.11.

Section 9.12 No Transfer of Notes Held by the Trustee. Except as required to effect an assignment to a successor Trustee, the Trustee shall not sell, assign or transfer the Agreement, the Notes and the First Mortgage Bonds, and the Trustee is authorized to enter into an agreement with the Company to such effect.

Section 9.13 Insurance. The Trustee shall have no duty or responsibility to receive, retain or review any policies of insurance in connection with the Facilities.

ARTICLE X

INDENTURES SUPPLEMENTAL HERETO

Section 10.01 Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Trustee may, without the consent of, or notice to, any of the Bondholders, enter into such indenture or indentures supplemental to this Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

- (a) to set forth any or all of the matters in connection with the issuance of Additional Bonds as provided in Section 2.10 hereof;
- (b) to cure any ambiguity, defect or omission in this Indenture, or to otherwise amend this Indenture, in such manner as shall not in the opinion of the Trustee impair the security hereof or adversely affect the Bondholders;
- (c) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authorities that may lawfully be granted or conferred upon the Bondholders or the Trustee;
- (d) to add additional covenants of the Issuer, or to surrender any right or power herein conferred upon the Issuer;
- (e) to subject to this Indenture additional revenues, properties or collateral;
- (f) to modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America, and, if they so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;
- (g) to provide different authorized denominations for the Bonds;
- (h) to provide for an uncertificated registration system for the Bonds;
- (i) to evidence the succession of a new Trustee hereunder; and
- (j) to make such changes as may be necessary to comply with the provisions of the 1954 Code or the Code relating to the exclusion of interest on the Bonds from gross income thereunder or to the deductibility by the Company of interest payments.

Section 10.02 Supplemental Indentures Requiring Consent of Bondholders. Exclusive of supplemental indentures covered by Section 10.01 hereof and subject to the terms and provisions contained in this Section 10.02, and not otherwise, the holders of not less than 50% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular way, any of the terms or provisions contained in this Indenture or in any indenture supplemental hereto; provided, however, that nothing in this Section 10.02 contained shall permit, or be construed as permitting (a) a change in the maturity of the principal of or the interest on any Bond issued hereunder, or (b) a reduction in the principal amount of, or redemption premium on, any Bond or Bonds or the rate or rates of interest thereon, or (c) a privilege or priority of any Bond or Bonds then Outstanding over any other Bond or Bonds then Outstanding, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture or (e) the holder of any Bond then outstanding to be deprived of the lien created by this Indenture, unless, in each case, holders of all Bonds then Outstanding consent to such supplemental indenture.

If at any time the Issuer shall request the Trustee to enter into any such supplemental indenture for any of the purposes of this Section 10.02, the Trustee shall, upon being satisfactorily secured and/or indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be given in the same manner as the giving of notices of redemption as set forth in Section 3.04 hereof. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty days or such longer period as shall be prescribed by the Issuer following the giving of such notice, the holders of not less than 50% 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 Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section 10.02 permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith and without the necessity for notation on the Bonds then Outstanding.

Anything herein to the contrary notwithstanding, a supplemental indenture under this Article X which affects the rights of the Company shall not become effective unless and until the Company shall have consented to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture together with a copy of the proposed supplemental indenture to be mailed by certified or registered mail to the Company at least fifteen days prior to the giving of notice of the proposed execution of such supplemental indenture as provided in this Section 10.02. The Company shall be deemed to have consented to the execution and delivery of any such supplemental indenture if the Trustee does not receive a letter of protest or objection thereto signed by or on behalf of the Company on or before 4:30 P.M., Arkansas time, on the fifteenth day after the Company's receipt of said notice and a copy of the proposed supplemental indenture.

Section 10.03 Trustee Authorized to Join in Supplements; Reliance on Counsel; Required Opinion of Bond Counsel. The Trustee is authorized to join with the Issuer in the execution and delivery of any supplemental indenture permitted by this Article X and in so doing shall be fully protected by an opinion of counsel, who may be counsel for the Issuer or the Company, that such supplemental indenture is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding supplemental indenture have been done. In addition, the Trustee may, as a condition of such execution and delivery, obtain an opinion of nationally recognized counsel experienced on the subject of municipal bonds to that effect and to the effect that such action does not adversely affect the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds. All such opinions shall be provided solely at the Company's expense.

ARTICLE XI

AMENDMENT OF AGREEMENT AND NOTE

Section 11.01 Amendments, Etc., to Agreement Not Requiring Consent of Bondholders. The Issuer and the Trustee shall, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Agreement and the Notes which may be entered into pursuant to Section 2.10 hereof or in connection with (a) implementation of a requirement of the Agreement or this Indenture, (b) the curing of an ambiguity or formal defect or omission, (c) the substitution or addition of facilities to the Facilities or in connection with identifying of the Facilities more precisely, or (d) any other change which, in the judgment of the Trustee, is not to the prejudice of the Trustee or the Bondholders; provided, however, in each such case, that as a condition of such consent, the Trustee may require an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that any such proposed amendment, change or modification is not to the prejudice of the Trustee or the Bondholders (if pursuant to clause (d) hereof), to the effect that any such proposed amendment, change or modification will comply with the provisions of this Article XI and to the effect that such amendment, change or modification does not adversely affect the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds.

Section 11.02 Amendments, Etc., to Agreement Requiring Consent of Bondholders. Except for the amendments, changes or modifications as provided in Section 11.01 hereof, neither the Issuer nor the Trustee shall consent to any other amendment, change or modification of the Agreement or the terms of the Notes without the giving of notice and the written approval or consent of the holders of not less than 50% in aggregate principal amount of the Bonds then Outstanding given and procured as in this Section 11.02 provided. If at any time the Company or the Issuer, at the direction of the Company, shall request the consent of the Trustee to any such proposed amendment, change or modification of the Agreement or the terms of the Notes, the Trustee shall, upon being satisfactorily secured and/or indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 10.02 hereof with respect to

supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file with the Trustee for inspection by all Bondholders. In addition, the Trustee may, as a condition to the effectiveness of such proposed amendment, change or modification of the Agreement or the terms of the Notes, obtain an opinion of nationally recognized counsel experienced on the subject of municipal bonds to the effect that any such proposed amendment, change or modification will comply with the provisions of this Article XI and to the effect that such proposed amendment, change or modification does not adversely affect the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds.

Section 11.03 Trustee Authorized to Join in Amendments; Reliance on Counsel. The Trustee is authorized to join with the Issuer in the execution and delivery of any amendment permitted by this Article XI and in so doing shall be fully protected by an opinion of counsel, who may be counsel for the Issuer or the Company, that such amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done. All of the opinions of counsel required by this Article XI shall be obtained solely at the Company's expense.

ARTICLE XII MISCELLANEOUS

Section 12.01 Consents, Etc., of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely: the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution.

Section 12.02 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be inferred from this Indenture, or the Bonds, is intended or shall be construed to give to any person or company other than the Company, the parties hereto, and the holders of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenants, conditions and provisions herein contained. This Indenture and all of the covenants, conditions and provisions hereof are intended to be and are for the sole and exclusive benefit of the Company, the parties hereto and the holders of the Bonds as herein provided.

Section 12.03 Severability. If any provision of this Indenture shall be held or deemed to be, or shall in fact be, illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 12.04 Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: if to the Issuer, at Independence County Courthouse, 192 East Main Street, Batesville, Arkansas 72501, Attention: County Judge; if to the Trustee, at 501 Main Street, Pine Bluff, Arkansas 71601, Attention: Corporate Trust Department; and if to the Company, at 639 Loyola Avenue, New Orleans, Louisiana 70113, Attention: Treasurer. A duplicate copy of each notice required to be given hereunder by either the Issuer or the Trustee shall also be given to the Company, and a duplicate copy of each notice required to be given hereunder by the Trustee to either the Issuer or the Company shall also be given to the other. The Issuer, the Company and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 12.05 Trustee as Paying Agent and Bond Registrar. The Trustee is hereby designated and agrees to act as a paying agent and Bond Registrar for and in respect of the Bonds.

Section 12.06 Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be a Saturday, Sunday, or, in the city of payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of principal of, redemption premium, if any, and interest need not be made on such date but may be made on the next succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest on such payment shall accrue for the period after such date.

Section 12.07 Counterparts. This Indenture 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 12.08 Applicable Provisions of Law. This Indenture shall be governed by and construed in accordance with the laws of the State of Arkansas.

Section 12.09 Captions. The captions or headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Indenture.

Section 12.10 No Liability of Officers. No covenant or agreement contained in the Bonds or this Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the Issuer in his individual capacity, and neither the members of the governing body of the Issuer nor any official executing the Bonds or this Indenture shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds or the execution and delivery of this Indenture.

Section 12.11 Voting of First Mortgage Bonds. The Trustee shall, as the holder of the First Mortgage Bonds, attend such meeting or meetings of holders of First Mortgage Bonds issued under the First Mortgage Bonds Indenture or, at its option, deliver its proxy in connection therewith, as it relates to matters with respect to which it is entitled to vote or consent. So long as no Event of Default hereunder shall have occurred and be continuing, either at any such meeting or meetings, or otherwise, when the consent of the holders of the First Mortgage Bonds issued under the First Mortgage Bonds Indenture is sought without a meeting, the Trustee shall vote as the holder of the First Mortgage Bonds, or shall consent with respect thereto, proportionately with what the Trustee reasonably believes will be the vote or consent of the holders of all other first mortgage bonds of the Company then outstanding under the First Mortgage Bonds Indenture the holders of which are eligible to vote or consent; provided, however, that the Trustee shall not vote as such holder in favor of, or give its consent to, any amendment or modification of the First Mortgage Bonds Indenture that is correlative to any amendment or modification of this Indenture referred to in Section 10.02 hereof without the prior consent and approval, obtained in the manner prescribed in said Section 10.02, of Bondholders which would be required under said Section 10.02 for such correlative amendment or modification of this Indenture.

For purposes of this Section 12.11, the Trustee may conclusively rely on a bondholder's certificate delivered to the Trustee, signed by the temporary chairman, the temporary secretary, the permanent chairman, the permanent secretary, or an inspector of votes at any meeting or meetings of bondholders under the First Mortgage Bonds Indenture, or by the First Mortgage Bonds Trustee in the case of consents of such bondholders which are sought without a meeting, which states what the signer thereof reasonably believes will be the proportionate votes or consents of the holders of all first mortgage bonds (other than the First Mortgage Bonds delivered to and held by the Trustee pursuant to this Indenture) outstanding under the First Mortgage Bonds Indenture and counted for the purposes of determining whether such bondholders have approved or consented to the matter put before them.

Any action taken by the Trustee in accordance with the provisions of this Section 12.11 shall be binding upon the Issuer and the Bondholders.

Section 12.12 Surrender of First Mortgage Bonds. The Trustee shall surrender First Mortgage Bonds to the First Mortgage Bonds Trustee in accordance with the provisions of Section 3.5(d) and (e) of the Agreement.

Section 12.13 Notice to First Mortgage Bonds Trustee. In the event that a payment on the First Mortgage Bonds shall have become due and payable and shall not have been fully paid after the expiration of the applicable grace period, the Trustee shall immediately give notice thereof to the First Mortgage Bonds Trustee specifying the amount of funds required to make such payment. In the event that the Bonds (or any portion thereof) are to be redeemed pursuant to any provisions of this Indenture requiring mandatory redemption of such Bonds (other than at the direction of the Company), the Trustee shall forthwith give notice thereof to the First Mortgage Bonds Trustee specifying the principal amount of Bonds so to be redeemed and the redemption date therefor. Any such notice given by the Trustee shall be signed by its President, a Vice President or a Trust Officer thereof. The Trustee shall incur no liability for failure to give any such notice and such failure shall have no effect on the obligations of the Company on the First Mortgage Bonds or on the rights of the Trustee or of the bondholders.

IN WITNESS WHEREOF, Independence County, Arkansas has caused these presents to be signed in its name and behalf by its County Judge, and its official seal to be hereunto affixed and attested by its County Clerk, and to evidence its acceptance of the trusts hereby created Simmons First Trust Company, National Association, as Trustee, has caused these presents to be signed in its name and behalf and its official seal to be hereunto affixed and attested by its duly authorized officers, all as of the day and year first above written.

INDEPENDENCE COUNTY, ARKANSAS

(SEAL)

By /s/ Robert T. Griffin
County Judge

ATTEST:

/s/ Tracey Wyatt
County Clerk

SIMMONS FIRST TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

(SEAL)

By /s/ Glenda L. Dean
Corporate Trust Officer

INDEPENDENCE COUNTY, ARKANSAS

and

ENTERGY ARKANSAS, INC.

LOAN AGREEMENT

Dated as of January 1, 2013

Relating to \$45,000,000 Pollution Control
Revenue Refunding Bonds
(Entergy Arkansas, Inc. Project)
Series 2013

THIS LOAN AGREEMENT, dated as of January 1, 2013, by and between INDEPENDENCE COUNTY, ARKANSAS, a political subdivision under the Constitution and laws of the State of Arkansas (the "Issuer"), and ENTERGY ARKANSAS, INC., a corporation organized and existing under the laws of the State of Arkansas, and formerly known as Arkansas Power & Light Company (the "Company"), evidencing the agreement of the parties hereto.

In consideration of the respective representations and agreements hereinafter contained, the parties hereto agree as follows (provided that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not be a general debt, liability or obligation of the Issuer, or of the State of Arkansas or any political subdivision thereof but shall be payable solely out of the revenue and proceeds derived from this Agreement and the Notes (hereinafter defined), the First Mortgage Bonds (hereinafter defined) and the sale of the Bonds referred to herein).

ARTICLE I

DEFINITIONS

Section 1.1 Definitions.

Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the recitals hereto and in the Indenture. In addition, the following words and phrases shall have the following meanings:

Agreement

"Agreement" means this Loan Agreement and any amendments and supplements hereto.

Authorized Company Representative

"Authorized Company Representative" means the President, any Vice President, the Treasurer, the Secretary, any Assistant Treasurer or any Assistant Secretary of the Company or the person or persons at the time designated to act on behalf of the Company by any one of said officers, such designation in each case to be evidenced by a certificate furnished to the Issuer and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Company by said officer.

Event of Default

"Event of Default" means any of the occurrences enumerated in Section 5.1 of this Agreement.

Facilities

"Facilities" means the pollution control facilities at the Plant which were refinanced, in whole or in part, with the proceeds of the Prior Bonds.

First Mortgage Bonds

"First Mortgage Bonds" means the series of bonds issued and delivered under the First Mortgage Bonds Indenture and held by the Trustee pursuant to Section 3.5 of this Agreement.

First Mortgage Bonds Indenture

"First Mortgage Bonds Indenture" means the Company's Mortgage and Deed of Trust, dated as of October 1, 1944, between the Company and the First Mortgage Bonds Trustee, and, as to property, real or personal, situated or being in Missouri, Marvin A. Mueller (The Bank of New York Mellon Trust Company, National Association, successor), as Missouri co-trustee, as heretofore and hereafter amended and supplemented, including the Seventy-second Supplemental Indenture, dated as of January 1, 2013, pursuant to which the First Mortgage Bonds will be issued.

First Mortgage Bonds Trustee

"First Mortgage Bonds Trustee" means Deutsche Bank Trust Company Americas (as successor to Guaranty Trust Company of New York).

Indenture

"Indenture" means the Trust Indenture, dated as of January 1, 2013, relating to the Bonds, between the Issuer and the Trustee pursuant to which the Bonds are authorized to be issued, and including any indenture supplemental thereto.

Jefferson County Bonds

"Jefferson County Bonds" means the Jefferson County, Arkansas Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013, in the aggregate principal amount of \$54,700,000, being issued and delivered simultaneously with the issuance and delivery of the Series 2013 Bonds.

Loan

"Loan" means any loan to be made by the Issuer to the Company of the proceeds (which shall be deemed to include the underwriting discount, if any, and original issue discount, if any) of the sale of the Bonds, exclusive of any accrued interest paid by the initial purchasers of the Bonds upon the delivery thereof.

Maturity Date

"Maturity Date" means January 1, 2021.

Person

"Person" means any natural person, firm, partnership, limited liability company, association, corporation, trust or public body.

Notes

"Notes" means the non-negotiable promissory notes of the Company issued pursuant to Section 3.2 of this Agreement, in the form set forth in Exhibit A hereto.

Plant

"Plant" means the electric generating plant jointly owned by the Company and others located within the boundaries of the Issuer near Newark, Arkansas and known as the Independence Steam Electric Station.

Plant Agreements

"Plant Agreements" means all of the contracts relating to the ownership, construction and operation of the Plant, as from time to time amended or supplemented.

Prior Bonds

"Prior Bonds" means the \$45,000,000 aggregate principal amount outstanding of Independence County, Arkansas Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2005.

Project

"Project" means the interest of the Company in the Facilities on the respective dates of issuance of (a) the Issuer's Pollution Control Revenue Bonds, Series 1981 (Arkansas Power & Light Company Project) (the "Series 1981 Bonds"), in the aggregate principal amount of \$40,000,000, and (b) the Issuer's Pollution Control Revenue Bonds, Series 1983 (Arkansas Power & Light Company Project) (the "Series 1983 Bonds"), in the aggregate principal amount of \$45,000,000.

Series 2013 Bonds

"Series 2013 Bonds" means the bonds authorized to be issued under Section 2.02 of the Indenture.

Undertaking

"Undertaking" shall mean the Rule 15c2-12 undertaking of the Company, dated as of the date of issuance of the Bonds, as originally executed by the Company and as it may be amended from time to time in accordance with the terms thereof.

ARTICLE II

ACQUISITION AND COMPLETION OF THE FACILITIES; ISSUANCE OF THE BONDS AND ADDITIONAL BONDS

Section 2.1 Acquisition and Completion of the Facilities. The Company represents that the acquisition, construction and equipping of the Facilities have been completed.

Section 2.2 Issuance of Series 2013 Bonds; Additional Bonds. In order to provide funds to currently refund all of the outstanding Prior Bonds, the Issuer agrees that it will initially issue and deliver the Series 2013 Bonds to the purchasers thereof at a price to be approved in advance by the Company and apply and deposit the proceeds thereof in accordance with the terms of the Indenture. The Company has reviewed the Indenture and finds the Indenture to be satisfactory in form and substance to the Company and agrees to comply with the provisions thereof applicable to the Company.

If no Event of Default shall have occurred and be continuing, the Issuer will authorize the sale of and use its best efforts to sell from time to time, to the extent permitted by law, Additional Bonds, in amounts specified by the Company and upon the terms and conditions provided in the Indenture, for any purpose permitted by the Indenture and the Act. The Issuer will deposit the proceeds of any such Additional Bonds with the Trustee in accordance with the terms of the Indenture.

ARTICLE III

LOAN BY ISSUER; PROVISIONS FOR PAYMENT

Section 3.1 Loan by Issuer. The Issuer hereby agrees to make the initial Loan to the Company for the purpose of currently redeeming all of the outstanding Prior Bonds within 90 days after the date of initial issuance of the Series 2013 Bonds. The Company hereby agrees to cause the proceeds of the Series 2013 Bonds to be applied exclusively to the foregoing purpose and to cause such Prior Bonds to be redeemed within 90 days after the date of initial issuance of the Series 2013 Bonds. In addition, the Company agrees to pay any and all amounts required in addition to the proceeds of the Series 2013 Bonds to currently redeem such Prior Bonds as set forth in this Section 3.1 including, but not limited to, principal and interest owed on the Prior Bonds.

The Issuer hereby agrees to make additional Loans to the Company from time to time from the proceeds of any Additional Bonds issued by the Issuer pursuant to the Indenture.

Section 3.2 Delivery of Notes by Company; Payment Obligation of the Company; Other Amounts Payable. (a) In order to evidence any Loan and the repayment obligation of the Company, the Company shall execute and deliver for each series of Bonds a Note in a principal amount equal to the aggregate principal amount of, and having the same stated rate or rates of interest as, such series of Bonds. Each Note shall be dated the date of the initial issuance of, and mature on the same maturity date or dates as, the series of Bonds issued concurrently therewith.

(b) Pursuant to the Notes, the Company agrees to pay or cause to be paid to the Issuer, in immediately available funds, a sum equal to the aggregate principal amount of each series of Bonds issued under the Indenture, redemption premium, if any, and interest on the unpaid balances thereof at the rates payable by the Issuer on such Bonds at the times such principal, redemption premium, if any, and interest are payable by the Issuer irrespective of any original issue discount with respect to such Bonds. If, at the date any payment on such Bonds is due, there are any available moneys in the Bond Fund, such moneys shall be credited against said payment, first in respect of interest and then, to the extent of remaining moneys, in respect of principal.

(c) The Company shall also pay (i) the fees, charges and reasonable expenses of the Trustee and any paying agents under the Indenture, such fees, charges and reasonable expenses to be paid directly to the Trustee or paying agents for their respective accounts as and when such fees, charges and reasonable expenses become due and payable, (ii) any expenses and costs incurred or to be incurred by virtue of the issuance and sale of the Bonds, (iii) any expenses in connection with any redemption of the Bonds, (iv) any expenses in connection with the redemption of the Prior Bonds, (v) the fees, charges and reasonable expenses of the Issuer, and (vi) any amounts owed under the Rebate Agreement.

Section 3.3 Obligation of the Company Unconditional. The obligation of the Company to make the payments as provided in this Agreement and the Notes and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional notwithstanding failure of the title to the Facilities or any part thereof, loss of title to (or the temporary use of) the Facilities by virtue of the exercise by others of the power of eminent domain, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Facilities, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of Arkansas or any political subdivision of either thereof or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement. Nothing contained in this Section 3.3 shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained; and, in the event the Issuer should fail to perform any such agreement on its part, the Company may institute such action against the Issuer as the Company may deem necessary to compel performance or recover its damages for nonperformance so long as such action shall not violate the agreements on the part of the Company contained in the preceding sentence, but in no event shall the Company be entitled to reduce the amounts payable under the Notes and Section 3.2 hereof. The Company may, however, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving third persons which the Company deems reasonably necessary in order to secure or protect its right of possession, occupancy and use of the Facilities hereunder, and in such event the Issuer hereby agrees to cooperate fully with the Company and to take all action necessary to effect the substitution of the Company for the Issuer in any such action or proceeding if the Company shall so request.

Section 3.4 Assignment and Pledge of Payments and Rights Under the Notes and this Agreement. Section 3.5 The Issuer shall assign and pledge to the Trustee as security under the Indenture all rights, title and interests of the Issuer in and to (a) the Notes and all payments thereunder, (b) this Agreement and all moneys receivable hereunder (except for payments under Sections 4.3 and 5.3 hereof), and (c) the First Mortgage Bonds (including the right to receive the First Mortgage Bonds under this Agreement). The Company assents to such assignment and hereby agrees that, as to the Trustee, its obligations to make such payments shall be absolute and shall not be subject to any defense or any right of set-off, counterclaim or recoupment arising out of any breach by the Issuer or the Trustee of any obligation to the Company, whether hereunder or otherwise, or out of any indebtedness or liability at any time owing to the Company by the Issuer or the Trustee.

Section 3.5 Issuance, Delivery and Surrender of First Mortgage Bonds. (a) The obligation of the Company set forth in Section 3.2 of this Agreement to make the payments required therein with respect to the Loan relating to the Series 2013 Bonds will be evidenced in part by the First Mortgage Bonds. The Company shall issue and deliver to the Issuer First Mortgage Bonds as provided in subsection (b) of this Section 3.5.

(b) Concurrently with the issuance and delivery by the Issuer of the Series 2013 Bonds, and in order to evidence in part the obligations of the Company under Section 3.2 (a) and (b) of this Agreement to repay those installments of the loan from the Issuer which correspond to payment of the principal of the Series 2013 Bonds, with the excess of the principal amount thereof to be applied to the payment of accrued interest on the Series 2013 Bonds, the Company shall issue and deliver to the Issuer the First Mortgage Bonds (i) maturing on the Maturity Date, (ii) in a principal amount equal to the principal amount of the Series 2013 Bonds plus eight (8) months (8/12) of the annual interest on the Series 2013 Bonds, (iii) containing redemption provisions correlative to the redemption provisions of the Indenture relating to the Series 2013 Bonds requiring mandatory redemption thereof, (iv) requiring payments to be made to the Trustee for the account of the Issuer, and (v) bearing no interest except as otherwise provided in the First Mortgage Bonds Indenture.

(c) The obligation of the Company to make any payment of the principal of or interest on the First Mortgage Bonds, whether at maturity, upon redemption or otherwise, shall be reduced by the amount of any reduction under the Indenture of the amount of the corresponding payment required to be made by the Issuer thereunder in respect of the principal of or interest on the Series 2013 Bonds, all in accordance with the provisions of the First Mortgage Bonds Indenture.

(d) The Issuer shall not sell, assign or transfer the First Mortgage Bonds, except to the extent provided in Section 3.4 hereof. In view of the pledge and assignment referred to in said Section 3.4, the Issuer agrees that (i) in satisfaction of the obligations of the Company set forth in paragraph (b) of this Section 3.5 with respect to the Series 2013 Bonds, the First Mortgage Bonds shall be issued and delivered to, registered in the name of, and held by, the Trustee for the benefit of the owners and holders from time to time of the Series 2013 Bonds; (ii) the Indenture shall provide that the Trustee shall not sell, assign or transfer the First Mortgage Bonds except to a successor trustee under the Indenture and shall surrender First Mortgage Bonds to the First Mortgage Bonds Trustee in accordance with the provisions of subsection (e) of this Section 3.5; and (iii) the Company may take such actions as it shall deem to be desirable to effect compliance with such restrictions on transfer, including the placing of an appropriate legend on each First Mortgage Bond and the issuance of stop-transfer instructions to the First Mortgage Bonds Trustee or any other transfer agent under the First Mortgage Bonds Indenture. Any action taken by the Trustee in accordance with the provisions of Article VIII of the Indenture shall be binding upon the Company.

(e) At the time any Series 2013 Bonds cease to be outstanding (other than by reason of the payment or redemption of First Mortgage Bonds and other than by reason of the applicability of clause (c) in the definition of "Outstanding"), the Issuer shall cause the Trustee to surrender for cancellation to the First Mortgage Bonds Trustee First Mortgage Bonds in an aggregate principal amount equal to the aggregate principal amount of the Series 2013 Bonds which so cease to be outstanding, plus a principal amount of such First Mortgage Bonds equal to eight (8) months (8/12) of the annual interest payable in respect of such Series 2013 Bonds.

(f) For the purpose of determining whether or not any payment of the principal of or interest on the First Mortgage Bonds shall have been made in full, any moneys paid by the Company in respect of the First Mortgage Bonds which shall have been withdrawn by the Trustee from the Bond Fund pursuant to Section 9.02 of the Indenture shall be deemed to have been paid by the Company to the Trustee pursuant to Section 3.2(c) hereof and not to have been paid by the Company in respect of the First Mortgage Bonds.

ARTICLE IV

SPECIAL COVENANTS

Section 4.1 Warranty of Suitability by the Issuer. The Issuer makes no warranty either express or implied as to the Facilities, including their suitability for the Company's purposes or needs.

Section 4.2 Use of Facilities. The Issuer does hereby covenant and agree that it will not take any action, other than pursuant to the exercise of its rights under Section 5.2 of this Agreement, to prevent the Company or others from having possession and enjoyment of the Facilities during the term of this Agreement and will, at the request of the Company and at the Company's cost, reasonably cooperate with the Company in order that the Company may have possession and enjoyment of the Facilities pursuant to the Plant Agreements. The Issuer hereby acknowledges that it shall have no rights to the use or possession of the Facilities. The Issuer hereby further acknowledges that the Facilities will not constitute any part of the security for the Bonds.

Section 4.3 Indemnity Against Claims. The Company shall pay and discharge and shall indemnify and hold harmless the Issuer and the Trustee from (a) any lien or charge upon payments by the Company to the Issuer under the Notes, the First Mortgage Bonds or hereunder, (b) any taxes, assessments, impositions and other charges upon payments by the Company to the Issuer under the Notes, the First Mortgage Bonds or hereunder and (c) any and all liability, damages, costs and expenses arising out of or resulting from the transactions contemplated by this Agreement, the First Mortgage Bonds and the Indenture or in any way related to the Facilities, including the reasonable fees and expenses of counsel. If any such lien or charge is sought to be imposed upon payments, or any such taxes, assessments, impositions or other charges are sought to be imposed, or any such liability, damages, costs and expenses are sought to be imposed, the Issuer and/or the Trustee shall give prompt written notice to the Company, and the Company shall have the sole right and duty to assume, and will assume, the defense thereof, with full power to litigate, compromise or settle the same in its sole discretion.

Section 4.4 Inspection of the Facilities. Subject to the provisions of the Plant Agreements, the Company agrees that the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives for good cause may during normal working hours and upon reasonable notice to the Company enter upon the site of the Plant and examine and inspect the Facilities and the books and records of the Company with respect to the Facilities and the Bonds.

Section 4.5 The Company to Maintain Its Legal Existence; Conditions Under Which Exceptions Permitted. The Company agrees that during the term of this Agreement it will maintain its legal existence, will be qualified to do business in the State of Arkansas, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation, or a limited liability company, partnership, or trust, or permit one or more other corporations, limited liability companies, partnerships, or trusts to consolidate with or merge into it; provided, that the Company may, without violating the agreements contained in this Section 4.5, consolidate with or merge into another corporation, or a limited liability company, partnership, or trust, or permit one or more other corporations, limited liability companies, partnerships, or trusts to consolidate with or merge into it, or sell or otherwise transfer to another corporation, or a limited liability company, partnership, or trust, all or substantially all of its assets as an entirety and thereafter dissolve, provided that (a) both immediately prior to such consolidation or merger and after giving effect thereto, no Event of Default (or event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default) shall have occurred and be continuing, (b) in the event the Company is not the surviving, resulting or transferee corporation, as the case may be, the surviving, resulting or transferee corporation, limited liability company, partnership, or trust assumes, accepts and agrees in writing to pay and perform all of the obligations of the Company herein and under the Notes and the First Mortgage Bonds (in one or more agreements or instruments, including a merger or consolidation agreement or plan) or otherwise becomes responsible for such obligations (by operation of law, guaranty or otherwise) and is either organized under the laws of the State of Arkansas or is qualified to do business in the State of Arkansas, and (c) whether or not the Company is the surviving, resulting or transferee corporation, limited liability company, partnership, or trust, such consolidation or merger does not result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 4.6 Annual Statement. If reasonably requested in writing, the Company agrees to have an annual audit made by its regular independent public accountants and within 180 days after the close of each fiscal year to furnish the Trustee and any Bondholder who may so request a balance sheet and statement of income and surplus showing the financial condition of the Company and its consolidated subsidiaries, if any, at the close of such fiscal year and the results of operations of the Company and its consolidated subsidiaries, if any, for such fiscal year, accompanied by a certificate or opinion of said accountants. The requirements of the Company pursuant to this Section 4.6 may be satisfied by the submission to the Trustee and each Bondholder who may request such information of the Company's annual report to its shareholders, so long as the Company prepares such an annual report or its Annual Report on Form 10-K.

Section 4.7 Further Assurances and Corrective Instruments. The Issuer and the Company agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Facilities and for carrying out the intention or facilitating the performance of this Agreement and the First Mortgage Bonds.

Section 4.8 Maintenance of Facilities by Company. The Company agrees that during the term of this Agreement it will exercise all its rights, powers, elections and options under the Plant Agreements to cause the payment of all reasonable and necessary costs of operating, maintaining and repairing the Facilities; provided, however, that the Company shall not be under any obligation to exercise its rights, powers, elections and options under the Plant Agreements to cause the renewal, repair or replacement of any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary portions of the Facilities. In any instance where the Company determines that any portions of the Facilities have become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, the Company may exercise its rights, powers, elections and options under the Plant Agreements to cause the removal of such portions of the Facilities and sell, trade-in, exchange or otherwise dispose of such removed portion without any responsibility or accountability to the Issuer, the Trustee or the Bondholders therefor.

Section 4.9 Redemption or Purchase of Bonds. The Issuer shall take all steps then necessary under the applicable provisions of the Indenture and then applicable federal and state laws and regulations for the redemption or purchase of Bonds upon receipt by the Issuer and the Trustee from the Company of a written notice specifying:

- (a) the principal amount of Bonds to be redeemed or purchased and the section of the Indenture pursuant to which such Bonds are being redeemed or purchased;
- (b) the date of such redemption or purchase, which date, in the case of a redemption of Bonds, shall be at least thirty (30) but not more than ninety (90) days subsequent to the receipt by the Trustee of such notice; and
- (c) in the case of a redemption of Bonds, directions to mail a notice of redemption pursuant to Section 3.04 of the Indenture.

In the case of a purchase of Bonds, the written notice to the Trustee shall, if available moneys in the Bond Fund are insufficient to purchase the principal amount of Bonds specified in subsection (a) above, be accompanied by a deposit into the Bond Fund of cash or Government Obligations sufficient, together with other moneys then available in the Bond Fund, to make the directed purchase of Bonds.

Section 4.10 Tax Covenants. (a) The Company covenants and agrees that it will not use or permit the use by any person of any of the funds provided by the Issuer hereunder or any other of its funds, directly or indirectly, or direct the Trustee to invest any funds held by it under the Indenture or this Agreement, in such manner as would, or enter into, or allow any "related person" (as defined in Section 103(b)(13) of the 1954 Code) to enter into, any arrangement, formal or informal, that would, or take or omit to take any other action that would, cause any Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code or result in the loss of the exclusion from gross income for federal income tax purposes of the interest paid on the Bonds to the extent afforded under Section 103 of the 1954 Code (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code). The Company acknowledges Section 6.02 of the Indenture and agrees to perform all duties imposed upon it by such Section including but not limited to its obligations under the Rebate Agreement. Insofar as said Section imposes duties and responsibilities on the Company, it is specifically incorporated herein by reference.

(b) The Issuer and the Company mutually covenant and agree that neither of them shall take or authorize or permit any action to be taken, and have not taken or authorized or permitted any action to be taken, which has or would result in the interest on any Bonds theretofore issued under the Indenture being included in gross income of the holders thereof for federal income tax purposes (other than for an owner who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code). Without limiting the generality of the foregoing, the Company further covenants and agrees as follows with respect to the Series 2013 Bonds:

- (i) The Facilities are located within the geographical boundaries of the Issuer.
 - (ii) All of the proceeds of the Prior Bonds were used to currently refund the Issuer's remaining outstanding Pollution Control Revenue Refunding Bonds, Series 1993 (Arkansas Power & Light Company Project) (the "Series 1993 Bonds"). The proceeds of the Series 1993 Bonds were used to currently refund the Issuer's remaining outstanding Series 1983 Bonds. The Series 1983 Bonds were issued to (A) finance in part the cost of acquiring, constructing and equipping the Project and (B) currently refund the Series 1981 Bonds. The Series 1981 Bonds were issued to finance in part the cost of acquiring, constructing and equipping the Project. Substantially all of the proceeds of the Series 1983 Bonds (excluding refunding proceeds) and the Series 1981 Bonds were expended (A) for proper costs of land or property of a character subject to the allowance for depreciation under Section 167 of the 1954 Code, or which was, for federal income tax purposes, chargeable to a capital account or would have been so chargeable either with a proper election by the Company (for example under Section 266 of the 1954 Code) or but for a proper election by the Company to deduct such amounts, and (B) to provide pollution control, sewage or solid waste disposal facilities within the meaning of Section 103(b)(4)(E) or (F) of the 1954 Code.
 - (iii) Except for the Jefferson County Bonds, within fifteen (15) days of the date of issuance of the Series 2013 Bonds, there neither have been nor will be any bonds the interest on which is excludable from gross income (within the meaning of Section 103 of the Code) sold to finance or refinance facilities of the Company or any "related person" (within the meaning of Section 147(a)(2) of the Code) under a common plan of marketing, at substantially the same rate of interest, and for which a common or pooled security will be used or available to pay debt service.
 - (iv) The average maturity of the Series 2013 Bonds (within the meaning of Section 147(b) of the Code and regulations thereunder) does not exceed 120% of the average reasonably expected economic life of the Facilities (within the meaning of Section 147(b) of the Code and regulations thereunder).
 - (v) No changes will be made in the Facilities which in any way impair the exclusion of interest on any of the Series 2013 Bonds from gross income for purposes of federal income taxation.
 - (vi) None of the proceeds of the Series 2013 Bonds will be used to finance costs of issuance of the Series 2013 Bonds.
 - (vii) The principal amount of the Series 2013 Bonds does not exceed the outstanding principal amount of the Prior Bonds being refunded from the proceeds of the Series 2013 Bonds.
- (c) The covenants and agreements contained in this Section 4.10 shall survive any termination of this Agreement.

(d) The representations, covenants and agreements contained herein and in such other documentation executed by or on behalf of the Company in connection with the issuance of any Bonds under the Indenture are intended to ensure compliance with the provisions of the Code and the 1954 Code and to establish that the expectations and facts pertaining to such provisions of the Code and the 1954 Code are consistent with such provisions. In the event that the Code or the 1954 Code is amended or the regulations thereunder are hereafter proposed or promulgated and the effect of such amendment, proposal or promulgation is to modify or delete any element of the covenants contained in this Section 4.10, the Company shall be relieved of its obligation to comply with such covenants to the extent of such modification or deletion provided that the Company receives an opinion of nationally recognized counsel experienced on the subject of municipal bonds that such action will not adversely affect the exclusion of the interest on the Bonds from the gross income of the holders thereof for federal income tax purposes. In the event a change in the Code, the 1954 Code or regulations imposes additional requirements that are applicable to the Bonds, the Company hereby agrees to comply with the provisions of the Code, the 1954 Code and/or regulations as amended or promulgated.

(e) The Company acknowledges that in the event of an examination of the Bonds by the Internal Revenue Service to determine compliance of the Bonds with the provisions of the Code as they relate to tax-exempt obligations, the Issuer is likely to be treated as the "taxpayer" in such examination. The Issuer covenants that it will promptly notify the Company of any inquiry or examination of the Internal Revenue Service relating to the Bonds and will cooperate with the Company, at the Company's expense, in connection with such examination.

Section 4.11 Continuing Disclosure. The Company hereby covenants and agrees that it will comply with and carry out all of the provisions of the Undertaking. Notwithstanding any other provision of this Agreement, failure of the Company to comply with the Undertaking shall not be considered an Event of Default under this Agreement; however, the Trustee may (and, at the request of the underwriters of the Bonds or the holders of at least twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, shall), or any Bondholder may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Company to comply with its obligations under this Section 4.11.

Section 4.12 Prior Bonds. The Company represents that all actions required under the 1954 Code and the Code have been taken in connection with the use of the proceeds of the Prior Bonds to insure that interest on the Prior Bonds remains excluded from the gross income of the holders thereof for federal income tax purposes (other than a holder who is a "substantial user" of the Facilities or a "related person" within the meaning of Section 103(b)(13) of the 1954 Code).

Section 4.13 Assignment, Leasing and Selling. The Company's interest in this Agreement may be assigned in whole or in part, and the Facilities may be leased or sold as a whole or in part (whether a specific element or unit or an undivided interest), by the Company, without the consent of the Issuer or the Trustee, subject, however, to the condition that no assignment, lease or sale (other than as described in Section 4.8 hereof) shall relieve the Company from primary liability for its obligations under Section 3.2 hereof to pay the payments required thereunder, or for any other of its obligations hereunder, other than those obligations relating to the operation, maintenance and insurance of the Facilities, which obligations (to the extent of the interest assigned, leased or sold and to the extent assumed by the assignee, lessee or purchaser) shall be deemed to be satisfied and discharged. Further, upon any such lease or sale, the Company shall comply with the requirements of Section 4.10 hereof, the 1954 Code and the Code (including, without limitation, the taking of remedial action with respect to the Bonds) as the same may then be applicable.

The Company shall, within fifteen (15) days after the delivery thereof, furnish to the Issuer and the Trustee a true and complete copy of the agreements or other documents effectuating any such assignment, lease or sale.

Section 4.14 Recordation and Filing. The Company hereby covenants and agrees that it will cause the Indenture and this Agreement, such security agreements, financing statements and all supplements thereto and other instruments as may be required from time to time to be kept, recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the owners of the Bonds and the rights of the Trustee under such instruments, and to perfect the security interest created by the Indenture.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.1 Events of Default. Each of the following shall be an "Event of Default" under this Agreement:

(a) Failure by the Company to pay when due any payment required to be made pursuant to Section 3.2(b) hereof or on the Notes, which failure shall have resulted in an "Event of Default" under clause (a) or (b) of Section 8.01 of the Indenture.

(b) Failure by the Company to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in subsection (a) of this Section 5.1, for a period of ninety (90) days after written notice, specifying such failure and requesting that it be remedied, is given to the Company by the Issuer or the Trustee, unless the Issuer and the Trustee shall agree in writing to an extension of such period prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Issuer and the Trustee will not unreasonably withhold their consent to an extension of such period if corrective action is instituted by the Company within the applicable period and diligently pursued until the failure is remedied.

(c) A "Default" as such term is defined in Section 65 of the First Mortgage Bonds Indenture.

The foregoing provisions of Section 5.1(b) are subject to the limitation that, if by reason of force majeure the Company is unable in whole or in part to carry out its agreements herein contained other than those set forth in Sections 4.5 and 4.10 hereof, an Event of Default shall not be deemed to have occurred during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; strikes; lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of any state or any of their departments, agencies or officials or of any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fire; hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraints of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission lines, pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company. The Company agrees, however, to remedy to the extent practicable with all reasonable dispatch the effects of any force majeure preventing the Company from carrying out its agreements; provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Company, and the Company shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Company unfavorable to the Company.

Section 5.2 Remedies on Default.

(a) Upon the occurrence and continuance of any Event of Default described in Section 5.1(a) or (c) hereof, and further upon the condition that, in accordance with the terms of the Indenture, the Bonds shall become due and payable pursuant to any provision of the Indenture, the payments required to be paid pursuant to Section 3.2(b) hereof and on the Notes shall, without further action, become immediately due and payable.

(b) Upon the occurrence and continuance of an Event of Default described in Section 5.1(c) hereof, the Trustee, as holder of the First Mortgage Bonds, shall, subject to the provisions of the Indenture, have the rights provided in the First Mortgage Bonds Indenture.

(c) Upon the occurrence and continuance of any Event of Default, the Issuer may take whatever action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Agreement.

Any amounts collected pursuant to action taken under this Section 5.2 shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture or, if the Bonds have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture) and the fees and expenses of the Issuer, the Trustee and the paying agents and all other amounts required to be paid under the Indenture and hereunder shall have been paid, to the Company.

Section 5.3 Agreement to Pay Attorneys' Fees and Expenses. In the event the Company should breach any of the provisions of the Notes, the First Mortgage Bonds, this Agreement or the Indenture and the Issuer or the Trustee should employ attorneys or incur other expenses for the collection of amounts payable hereunder or thereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Company herein or therein contained, the Company agrees that it will on demand therefor pay to the Issuer or the Trustee the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer or the Trustee.

Section 5.4 No Additional Waiver Implied by One Waiver. In the event any provision contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

In view of the assignment of the Issuer's rights in and under this Agreement to the Trustee under the Indenture, the Issuer shall have no power to waive any default hereunder by the Company without the prior consent of the Trustee. Any waiver of any "Event of Default" under the Indenture and a rescission and annulment of its consequences, and any waiver of any "Default" under the First Mortgage Bonds Indenture and a rescission and annulment of its consequences, shall constitute a waiver of the corresponding Event of Default hereunder and a rescission and annulment of the consequences thereof.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Term of this Agreement. This Agreement shall remain in full force and effect from the date hereof until such time as all of the Bonds then Outstanding shall have been fully paid or provision made therefor in accordance with the provisions of the Indenture, whichever shall first occur, and the fees and expenses of the Issuer, the Trustee and any paying agents and all other amounts payable by the Company under this Agreement, the First Mortgage Bonds and the Notes shall have been paid.

Section 6.2 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: if to the Issuer, at Independence County Courthouse, 192 East Main Street, Batesville, Arkansas 72501, Attention: County Judge; if to the Company, at 639 Loyola Avenue, New Orleans, Louisiana 70113, Attention: Treasurer; and if to the Trustee, at 501 Main Street, Pine Bluff, Arkansas 71601, Attention: Corporate Trust Department. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or the Company to the other shall also be given to the Trustee. The Issuer, the Company and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 6.3 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Company and their respective successors and assigns, subject, however, to the limitations contained in Section 4.5 hereof.

Section 6.4 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 6.5 Amounts Remaining in the Bond Fund. Any amounts remaining in the Bond Fund upon termination of this Agreement shall, to the extent provided by Section 5.08 of the Indenture, belong to and be paid to the Company by the Trustee.

Section 6.6 Amendments. This Agreement may not be effectively terminated except in accordance with the provisions hereof and may not be effectively amended except by a written agreement in accordance with Article XI of the Indenture and signed by the parties hereto.

Section 6.7 Execution in Counterparts. This 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 6.8 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arkansas.

Section 6.9 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 6.10 Other Financing. Notwithstanding anything in this Agreement to the contrary, the Issuer and the Company may hereafter enter into agreements to provide for the financing or refinancing of costs of the Facilities or any portion thereof in lieu of or in addition to the provisions herein for Additional Bonds.

IN WITNESS WHEREOF, the Issuer and the Company have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

(SEAL)

INDEPENDENCE COUNTY, ARKANSAS

By /s/ Robert T. Griffin
County Judge

ATTEST:

/s/ Tracey Wyatt
County Clerk

ENERGY ARKANSAS, INC.

By /s/ Steven C. McNeal
Steven C. McNeal
Vice President and Treasurer

(SEAL)

ATTEST:

/s/ Dawn Balash
Dawn Balash
Assistant Secretary

EXHIBIT A

ENERGY ARKANSAS, INC. PROMISSORY NOTE

\$45,000,000

January __, 2013

ENERGY ARKANSAS, INC., a corporation organized and existing under the laws of the State of Arkansas (the "Company"), acknowledges itself indebted and for value received hereby promises to pay to the order of Independence County, Arkansas (the "Issuer"), and its successors and assigns, the principal sum of Forty-five Million Dollars (\$45,000,000) together with interest on the unpaid principal balance thereof from the date hereof until the Company's obligation with respect to the payment of such sum shall be discharged at the rate borne by the Bonds referred to below.

This Note is issued to evidence the Loan (as defined in the Agreement hereinafter referred to) of the Issuer to the Company and the obligation of the Company to repay the same and shall be governed by and be payable in accordance with the terms and conditions of a Loan Agreement (the "Agreement") by and between the Issuer and the Company, dated as of January 1, 2013, pursuant to which the Issuer has loaned to the Company the proceeds of the sale of the Issuer's \$45,000,000 Pollution Control Revenue Refunding Bonds (Energy Arkansas, Inc. Project) Series 2013 (the "Bonds"). Additional similar Notes may be or may have been issued by the Company as provided in the Agreement. This Note (together with the Agreement) has been assigned to Simmons First Trust Company, National Association, as Trustee (the "Trustee"), acting pursuant to a Trust Indenture, dated as of January 1, 2013, including any indenture supplemental thereto (the "Indenture"), by and between the Issuer and the Trustee, and may not be assigned by the Trustee except to a successor Trustee pursuant to the terms of the Indenture. Such assignment is made as security for the Bonds, and any other bonds which are or may at any time be issued and outstanding under the Indenture. The Bonds are dated and bear interest in accordance with the provisions of the Indenture, payable on January 1 and July 1 in each year commencing July 1, 2013 at the rate of _____ percent (____%) per annum, and mature on January 1, 2021. The Bonds are subject to redemption prior to maturity as provided in the Indenture.

Subject to the provisions of the Agreement, payments hereon are to be made by paying to the Trustee, as assignee of the Issuer, in funds which will be immediately available on the date payment is due, amounts which, and at or before times which, shall correspond to the payments with respect to the principal of and interest on the Bonds whenever and in whatever manner the same shall become due, whether at stated maturity, upon redemption or declaration or otherwise. If at the date any payments on the Bonds are due there are any available moneys in the Bond Fund established under the Indenture, such moneys shall be credited against the payment then due hereunder, first in respect of interest and then, to the extent of remaining moneys, in respect of principal. Upon the occurrence of an Event of Default, as defined in the Agreement, the principal of and interest on this Note may become immediately due and payable as provided in the Agreement.

Neither the officers of the Company nor any persons executing this Note shall be liable personally or shall be subject to any personal liability or accountability by reason of the issuance hereof.

IN WITNESS WHEREOF, Energy Arkansas, Inc. has caused this Note to be executed in its corporate name and on its behalf by its President, its Treasurer or a Vice President by his or her manual signature, and its corporate seal to be impressed hereon and attested by the manual signature of its Secretary or an Assistant Secretary, all as of the date first above written.

(SEAL)

ENERGY ARKANSAS, INC.

By _____
Steven C. McNeal
Vice President and Treasurer

ATTEST:

By _____
Dawn A. Balash
Assistant Secretary

ASSIGNMENT

Pay to the order of Simmons First Trust Company, National Association, as Trustee, as assignee of Independence County, Arkansas, under the Trust Indenture, dated as of January 1, 2013 by and between Independence County, Arkansas and Simmons First Trust Company, National Association, as Trustee, securing the payment of Independence County, Arkansas Pollution Control Revenue Refunding Bonds (Energy Arkansas, Inc. Project) Series 2013, in the original principal amount of \$45,000,000.

Dated: January __, 2013

(SEAL)

INDEPENDENCE COUNTY, ARKANSAS

By _____
County Judge

ENTERGY ARKANSAS, INC.

TO

DEUTSCHE BANK TRUST COMPANY AMERICAS

(successor to Guaranty Trust Company of New York)

AND

(as to property, real or personal, situated or being in Missouri)

THE BANK OF NEW YORK MELLON TRUST COMPANY,
NATIONAL ASSOCIATION

(successor to Marvin A. Mueller)

As Trustees under Entergy Arkansas, Inc.'s Mortgage and Deed of Trust,
Dated as of October 1, 1944

SEVENTY-SECOND SUPPLEMENTAL INDENTURE

Providing among other things for
First Mortgage Bonds, Pollution Control Series G
(Seventy-eighth Series)
and
First Mortgage Bonds, Pollution Control Series H
(Seventy-ninth Series)

Dated as of January 1, 2013

SEVENTY-SECOND SUPPLEMENTAL INDENTURE

INDENTURE, dated as of January 1, 2013, between ENTERGY ARKANSAS, INC., a corporation of the State of Arkansas, whose post office address is 425 West Capitol, Little Rock, Arkansas 72201 (hereinafter sometimes called the "Company"), and DEUTSCHE BANK TRUST COMPANY AMERICAS (successor to Guaranty Trust Company of New York), a New York banking corporation, whose post office address is 60 Wall Street, MS NYC 60-2710, New York, New York 10005 (hereinafter sometimes called the "Corporate Trustee"), and (as to property, real or personal, situated or being in Missouri) THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION (successor to Marvin A. Mueller), whose mailing address is 10161 Centurion Parkway, Jacksonville, Florida 32256 (said The Bank of New York Mellon Trust Company, National Association being hereinafter sometimes called the "Missouri Co-Trustee" and the Corporate Trustee and the Missouri Co-Trustee being hereinafter together sometimes called the "Trustees"), as Trustees under the Mortgage and Deed of Trust, dated as of October 1, 1944 (hereinafter sometimes called the "Mortgage"), which Mortgage was executed and delivered by the Company to secure the payment of bonds issued or to be issued under

and in accordance with the provisions of the Mortgage, reference to which Mortgage is hereby made, this indenture (hereinafter called the "Seventy-second Supplemental Indenture") being supplemental thereto.

WHEREAS, the Mortgage was appropriately filed or recorded in various official records in the States of Arkansas, Louisiana, Missouri, Tennessee and Wyoming; and

WHEREAS, an instrument, dated as of July 7, 1949, was executed by the Company appointing Herbert E. Twyeffort as Co-Trustee in succession to Henry A. Theis (resigned) under the Mortgage, and by Herbert E. Twyeffort accepting said appointment, and said instrument was appropriately filed or recorded in various official records in the States of Arkansas, Louisiana, Missouri, Tennessee and Wyoming; and

WHEREAS, an instrument, dated as of March 1, 1960, was executed by the Company appointing Grainger S. Greene as Co-Trustee in succession to Herbert E. Twyeffort (resigned) under the Mortgage, and by Grainger S. Greene accepting said appointment, and said instrument was appropriately filed or recorded in various official records in the States of Arkansas, Louisiana, Missouri, Tennessee and Wyoming; and

WHEREAS, by the Twenty-first Supplemental Indenture mentioned below, the Company, among other things, appointed John W. Flaherty as Co-Trustee in succession to Grainger S. Greene (resigned) under the Mortgage, and John W. Flaherty accepted said appointment; and

WHEREAS, by the Thirty-third Supplemental Indenture mentioned below, the Company, among other things, appointed Marvin A. Mueller as Missouri Co-Trustee under the Mortgage, and Marvin A. Mueller accepted said appointment; and

WHEREAS, by the Thirty-fifth Supplemental Indenture mentioned below, the Company, among other things, appointed The Boatmen's National Bank of St. Louis as Missouri Co-Trustee in succession to Marvin A. Mueller (resigned) under the Mortgage, and The Boatmen's National Bank of St. Louis accepted said appointment; and

WHEREAS, an instrument, dated as of September 1, 1994, was executed by the Company appointing Bankers Trust Company as Trustee, and Stanley Burg as Co-Trustee, in succession to Morgan Guaranty Trust Company of New York (resigned) and John W. Flaherty (resigned), respectively, under the Mortgage and Bankers Trust Company and Stanley Burg accepted said appointments, and said instrument was appropriately filed or recorded in various official records in the States of Arkansas, Missouri, Tennessee and Wyoming; and

WHEREAS, by the Fifty-fifth Supplemental Indenture mentioned below, the Company, among other things, appointed Peter D. Van Cleve as Missouri Co-Trustee in succession to The Boatmen's National Bank of St. Louis (resigned) under the Mortgage, and Peter D. Van Cleve accepted said appointment; and

WHEREAS, by an instrument, dated as of May 31, 2000, the Company appointed BNY Trust Company of Missouri as Missouri Co-Trustee in succession to Peter D. Van Cleve (resigned) under the Mortgage, and BNY Trust Company of Missouri accepted said appointment, and said instrument was appropriately filed or recorded in various official records in the State of Missouri; and

WHEREAS, by an instrument, dated as of April 15, 2002, filed with the Banking Department of the State of New York, Bankers Trust Company, Trustee, effected a corporate name change pursuant to which, effective such date, it is known as Deutsche Bank Trust Company Americas; and

WHEREAS, by an instrument dated November 1, 2004, filed with the Office of the Comptroller of the Currency in Colorado, BNY Trust Company of Missouri merged into BNY Missouri Interim Trust Company, National Association, and by an instrument dated November 1, 2004, filed with the Office of the Comptroller of the Currency in Colorado, BNY Missouri Interim Trust Company, National Association, merged into The Bank of New York Trust Company, National Association; and

WHEREAS, by the Sixty-third Supplemental Indenture mentioned below, the Company, the Corporate Trustee, Stanley Burg as Co-Trustee, and The Bank of New York Trust Company, National Association, as Missouri Co-Trustee, appointed Jeffrey Schroeder to serve as Missouri Co-Trustee under the Mortgage, and Jeffrey Schroeder accepted such appointment; and

WHEREAS, by an instrument effective as of February 28, 2005, Jeffrey Schroeder resigned as a Missouri Co-Trustee; and

WHEREAS, effective July 1, 2008, The Bank of New York Trust Company, National Association changed its name to The Bank of New York Mellon Trust Company, National Association; and

WHEREAS, by the Sixty-ninth Supplemental Indenture mentioned below, effective as of October 1, 2010, Stanley Burg resigned as Co-Trustee; and

WHEREAS, by the Mortgage the Company covenanted that it would execute and deliver such supplemental indenture or indentures and such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired and intended to be subject to the lien thereof; and

WHEREAS, the Company executed and delivered to the Trustees the following supplemental indentures:

<u>Designation</u>	<u>Dated as of</u>
First Supplemental Indenture	July 1, 1947
Second Supplemental Indenture	August 1, 1948
Third Supplemental Indenture	October 1, 1949
Fourth Supplemental Indenture	June 1, 1950
Fifth Supplemental Indenture	October 1, 1951
Sixth Supplemental Indenture	September 1, 1952
Seventh Supplemental Indenture	June 1, 1953
Eighth Supplemental Indenture	August 1, 1954
Ninth Supplemental Indenture	April 1, 1955
Tenth Supplemental Indenture	December 1, 1959
Eleventh Supplemental Indenture	May 1, 1961
Twelfth Supplemental Indenture	February 1, 1963
Thirteenth Supplemental Indenture	April 1, 1965
Fourteenth Supplemental Indenture	March 1, 1966
Fifteenth Supplemental Indenture	March 1, 1967
Sixteenth Supplemental Indenture	April 1, 1968
Seventeenth Supplemental Indenture	June 1, 1968
Eighteenth Supplemental Indenture	December 1, 1969
Nineteenth Supplemental Indenture	August 1, 1970
Twentieth Supplemental Indenture	March 1, 1971

Twenty-first Supplemental Indenture	August 1, 1971
Twenty-second Supplemental Indenture	April 1, 1972
Twenty-third Supplemental Indenture	December 1, 1972
Twenty-fourth Supplemental Indenture	June 1, 1973
Twenty-fifth Supplemental Indenture	December 1, 1973
Twenty-sixth Supplemental Indenture	June 1, 1974
Twenty-seventh Supplemental Indenture	November 1, 1974
Twenty-eighth Supplemental Indenture	July 1, 1975
Twenty-ninth Supplemental Indenture	December 1, 1977
Thirtieth Supplemental Indenture	July 1, 1978
Thirty-first Supplemental Indenture	February 1, 1979
Thirty-second Supplemental Indenture	December 1, 1980
Thirty-third Supplemental Indenture	January 1, 1981
Thirty-fourth Supplemental Indenture	August 1, 1981
Thirty-fifth Supplemental Indenture	February 1, 1982
Thirty-sixth Supplemental Indenture	December 1, 1982
Thirty-seventh Supplemental Indenture	February 1, 1983
Thirty-eighth Supplemental Indenture	December 1, 1984
Thirty-ninth Supplemental Indenture	December 1, 1985
Fortieth Supplemental Indenture	July 1, 1986
Forty-first Supplemental Indenture	July 1, 1989
Forty-second Supplemental Indenture	February 1, 1990
Forty-third Supplemental Indenture	October 1, 1990
Forty-fourth Supplemental Indenture	November 1, 1990
Forty-fifth Supplemental Indenture	January 1, 1991
Forty-sixth Supplemental Indenture	August 1, 1992

Forty-seventh Supplemental Indenture	November 1, 1992
Forty-eighth Supplemental Indenture	June 15, 1993
Forty-ninth Supplemental Indenture	August 1, 1993
Fiftieth Supplemental Indenture	October 1, 1993
Fifty-first Supplemental Indenture	October 1, 1993
Fifty-second Supplemental Indenture	June 15, 1994
Fifty-third Supplemental Indenture	March 1, 1996
Fifty-fourth Supplemental Indenture	March 1, 1997
Fifty-fifth Supplemental Indenture	March 1, 2000
Fifty-sixth Supplemental Indenture	July 1, 2001
Fifty-seventh Supplemental Indenture	March 1, 2002
Fifty-eighth Supplemental Indenture	November 1, 2002
Fifty-ninth Supplemental Indenture	May 1, 2003
Sixtieth Supplemental Indenture	June 1, 2003
Sixty-first Supplemental Indenture	June 15, 2003
Sixty-second Supplemental Indenture	October 1, 2004
Sixty-third Supplemental Indenture	January 1, 2005
Sixty-fourth Supplemental Indenture	March 1, 2005
Sixty-fifth Supplemental Indenture	May 1, 2005
Sixty-sixth Supplemental Indenture	June 1, 2006
Sixty-seventh Supplemental Indenture	July 1, 2008
Sixty-eighth Supplemental Indenture	November 1, 2008
Sixty-ninth Supplemental Indenture	October 1, 2010
Seventieth Supplemental Indenture	November 1, 2010
Seventy-first Supplemental Indenture	December 1, 2012

which supplemental indentures were appropriately filed or recorded in various official records in the States of Arkansas, Louisiana, Missouri, Tennessee and Wyoming, as applicable; and

WHEREAS, in addition to the property described in the Mortgage, as heretofore supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS, the Company has heretofore issued, in accordance with the provisions of the Mortgage, as supplemented, the following series of First Mortgage Bonds:

Series	Principal Amount Issued	Principal Amount Outstanding
3 1/8% Series due 1974	\$ 30,000,000	None
2 7/8% Series due 1977	11,000,000	None
3 1/8% Series due 1978	7,500,000	None
2 7/8% Series due 1979	8,700,000	None
2 7/8% Series due 1980	6,000,000	None
3 5/8% Series due 1981	8,000,000	None
3 1/2% Series due 1982	15,000,000	None
4 1/4% Series due 1983	18,000,000	None
3 1/4% Series due 1984	7,500,000	None
3 3/8% Series due 1985	18,000,000	None
5 5/8% Series due 1989	15,000,000	None
4 7/8% Series due 1991	12,000,000	None
4 3/8% Series due 1993	15,000,000	None
4 5/8% Series due 1995	25,000,000	None
5 3/4% Series due 1996	25,000,000	None
5 7/8% Series due 1997	30,000,000	None
7 3/8% Series due 1998	15,000,000	None
9 1/4% Series due 1999	25,000,000	None
9 5/8% Series due 2000	25,000,000	None
7 5/8% Series due 2001	30,000,000	None
8% Series due August 1, 2001	30,000,000	None
7 3/4% Series due 2002	35,000,000	None
7 1/2% Series due December 1, 2002	15,000,000	None
8% Series due 2003	40,000,000	None
8 1/8% Series due December 1, 2003	40,000,000	None
10 1/2% Series due 2004	40,000,000	None
9 1/4% Series due November 1, 1981	60,000,000	None
10 1/8% Series due July 1, 2005	40,000,000	None
9 1/8% Series due December 1, 2007	75,000,000	None
9 7/8% Series due July 1, 2008	75,000,000	None
10 1/4% Series due February 1, 2009	60,000,000	None
16 1/8% Series due December 1, 1986	70,000,000	None

4 1/2% Series due September 1, 1983	1,202,000	None
5 1/2% Series due January 1, 1988	598,310	None
5 5/8% Series due May 1, 1990	1,400,000	None
6 1/4% Series due December 1, 1996	3,560,000	None
9 3/4% Series due September 1, 2000	4,600,000	None
8 3/4% Series due March 1, 1998	9,800,000	None
17 3/8% Series due August 1, 1988	75,000,000	None
16 1/2% Series due February 1, 1991	80,000,000	None
13 3/8% Series due December 1, 2012	75,000,000	None
13 1/4% Series due February 1, 2013	25,000,000	None
14 1/8% Series due December 1, 2014	100,000,000	None
Pollution Control Series A	128,800,000	None
10 1/4% Series due July 1, 2016	50,000,000	None
9 3/4% Series due July 1, 2019	75,000,000	None
10% Series due February 1, 2020	150,000,000	None
10 3/8% Series due October 1, 2020	175,000,000	None
Solid Waste Disposal Series A	21,066,667	None
Solid Waste Disposal Series B	28,440,000	None
7 1/2% Series due August 1, 2007	100,000,000	None
7.90% Series due November 1, 2002	25,000,000	None
8.70% Series due November 1, 2022	25,000,000	None
Pollution Control Series B	46,875,000	None
6.65% Series due August 1, 2005	115,000,000	None
6% Series due October 1, 2003	155,000,000	None
7% Series due October 1, 2023	175,000,000	None
Pollution Control Series C	20,319,000	None
Pollution Control Series D	9,586,400	None
8 3/4% Series due March 1, 2026	85,000,000	None
7% Series due March 1, 2002	85,000,000	None
7.72% Series due March 1, 2003	100,000,000	None
6 1/8% Series due July 1, 2005	100,000,000	None
6.70% Series due April 1, 2032	100,000,000	None

6.00% Series due November 1, 2032	100,000,000	None
5.40% Series due May 1, 2018	150,000,000	None
5.90% Series due June 1, 2033	100,000,000	100,000,000
5% Series due July 1, 2018	115,000,000	115,000,000
6.38% Series due November 1, 2034	60,000,000	60,000,000
5.66% Series due February 1, 2025	175,000,000	175,000,000
5% Pollution Control Series E	45,000,000	45,000,000
4.5% Series due June 1, 2010	100,000,000	None
Pollution Control Series F	56,378,000	56,378,000
5.40% Series due August 1, 2013	300,000,000	300,000,000
5.75% Series due November 1, 2040	225,000,000	225,000,000
3.75% Series due February 15, 2021	350,000,000	350,000,000
4.90% Series due December 1, 2052	200,000,000	200,000,000

which bonds are also hereinafter sometimes called bonds of the First through Seventy-seventh Series, respectively; and

WHEREAS, Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company and that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof, and may also contain such provisions not inconsistent with the provisions of the Mortgage as the Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS, Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein or in any supplemental indenture, or may establish the terms and provisions of any series of bonds other than said First Series, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS, the Company now desires to create two new series of bonds, hereinafter referred to as bonds of the Seventy-eighth Series and bonds of the Seventy-ninth Series, unless the context otherwise requires, and (pursuant to the provisions of Section 120 of the Mortgage) to add to its covenants and agreements contained in the Mortgage, as heretofore supplemented, certain other covenants and agreements to be observed by it and to alter and amend in certain respects the covenants and provisions contained in the Mortgage, as heretofore supplemented, and to cure ambiguity contained in the Mortgage; and

WHEREAS, the execution and delivery by the Company of this Seventy-second Supplemental Indenture, and the terms of the bonds of the Seventy-eighth Series and the terms of the bonds of the Seventy-ninth Series, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That the Company, in consideration of the premises and of One Dollar to it duly paid by the Trustees at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, and in further evidence of assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modifications made as in the Mortgage provided) and of said bonds, hereby

grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, hypothecates, affects, pledges, sets over and confirms (subject, however, to Excepted Encumbrances as defined in Section 6 of the Mortgage) unto The Bank of New York Mellon Trust Company, National Association (as to property, real or personal, situated or being in Missouri) and (to the extent of its legal capacity to hold the same for the purposes hereof) to Deutsche Bank Trust Company Americas, as Trustees under the Mortgage, and to their successor or successors in said trust, and to them and their successors and assigns forever, all property, real, personal or mixed, of any kind or nature acquired by the Company after the date of the execution and delivery of the Mortgage (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted), now owned or, subject to the provisions of Section 87 of the Mortgage, hereafter acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) and wheresoever situated, including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Seventy-second Supplemental Indenture) all lands, power sites, flowage rights, water rights, water locations, water appropriations, ditches, flumes, reservoirs, reservoir sites, canals, raceways, dams, dam sites, aqueducts, and all other rights or means for appropriating, conveying, storing and supplying water; all rights of way and roads; all plants for the generation of electricity by steam, water and/or other power; all power houses, gas plants, street lighting systems, standards and other equipment incidental thereto; all street and interurban railway and transportation lines and systems, terminal systems and facilities; all bridges, culverts, tracks, railways, sidings, spurs, wyes, roadbeds, trestles and viaducts; all overground and underground trolleys and feeder wires; all telephone, radio and television systems, air-conditioning systems and equipment incidental thereto, water works, water systems, steam heat and hot water plants, substations, lines, service and supply systems, ice or refrigeration plants and equipment, offices, buildings and other structures and the equipment thereof, all machinery, engines, boilers, dynamos, electric, gas and other machines, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, tools, implements, apparatus, furniture and chattels; all municipal and other franchises, consents or permits; all lines for the transmission and distribution of electric current, gas, steam heat or water for any purpose including towers, poles, wires, cables, pipes, conduits, ducts and all apparatus for use in connection therewith; all real estate, lands, easements, servitudes, licenses, permits, franchises, privileges, rights of way and other rights in or relating to real estate or the occupancy of the same and (except as herein or in the Mortgage, as heretofore supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature appertaining to and/or used and/or occupied and/or enjoyed in connection with any property hereinbefore or in the Mortgage, as heretofore supplemented, described.

TOGETHER WITH all and singular the tenements, hereditaments, prescriptions, servitudes and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights and franchises acquired by the Company (by purchase, consolidation, merger, donation, construction, erection or in any other way) after the date hereof, except any herein or in the Mortgage, as heretofore supplemented, expressly excepted, shall be and are as fully granted and conveyed hereby and by the Mortgage and as fully embraced within the lien hereof and the lien of the Mortgage, as heretofore supplemented, as if such property, rights and franchises were now owned by the Company and were specifically described herein or in the Mortgage and conveyed hereby or thereby.

PROVIDED THAT the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, hypothecated, affected, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Seventy-second Supplemental Indenture and from the lien and operation of the Mortgage, as heretofore supplemented, viz: (1) cash, shares of stock, bonds, notes and other obligations and other securities not hereafter specifically pledged, paid, deposited, delivered or held under the Mortgage or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for the purpose of repairing or replacing (in whole or in part) any street cars, rolling stock, trolley coaches, motor coaches, buses, automobiles or other vehicles or aircraft, and fuel, oil and similar materials and supplies consumable in the operation of any properties of the Company; street cars, rolling stock, trolley coaches, motor coaches, buses, automobiles and other vehicles and all aircraft; (3) bills, notes and accounts receivable, judgments, demands and choses in action, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as heretofore supplemented, or covenanted so to be; the Company's contractual rights or other interest in or with respect to tires not owned by the Company; (4) the last day of the term of any lease or leasehold which may hereafter become subject to the lien of the Mortgage; (5) electric energy, gas, ice, and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; all timber, minerals, mineral rights and royalties; (6) the Company's franchise to be a corporation; (7) the properties heretofore sold or in the process of being sold by the Company and heretofore released from the Mortgage and Deed of Trust dated as of October 1, 1926 from Arkansas Power & Light Company to Guaranty Trust Company of New York, trustee, and specifically described in a release instrument executed by Guaranty Trust Company of New York, as trustee, dated October 13, 1938, which release has heretofore been delivered by the said trustee to the Company and recorded by the Company in the office of the Recorder for Garland County, Arkansas, in Record Book 227, Page 1, all of said properties being located in Garland County, Arkansas; and (8) any property heretofore released

pursuant to any provisions of the Mortgage and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of the Mortgage, as heretofore supplemented, and this Seventy-second Supplemental Indenture in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event and as of the date that any or all of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XIII of the Mortgage by reason of the occurrence of a Default as defined in Section 65 thereof.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, hypothecated, affected, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto The Bank of New York Mellon Trust Company, National Association (as to property, real or personal, situated or being in Missouri), and (to the extent of its legal capacity to hold the same for the purposes hereof) unto Deutsche Bank Trust Company Americas, as Trustees, and their successors and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as heretofore supplemented, this Seventy-second Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as heretofore supplemented, shall affect and apply to the property hereinbefore described and conveyed and to the estate, rights, obligations and duties of the Company and Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors in the trust in the same manner and with the same effect as if said property had been owned by the Company at the time of the execution of the Mortgage, and had been specifically and at length described in and conveyed to said Trustees, by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successors in said trust under the Mortgage, as follows:

ARTICLE I SEVENTY-EIGHTH SERIES OF BONDS

SECTION 1. There shall be a series of bonds designated "Pollution Control Series G" (herein sometimes called the "Seventy-eighth Series"), each of which shall also bear the descriptive title "First Mortgage Bond", and the form thereof, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Seventy-eighth Series (which shall be initially issued in the aggregate principal amount of \$55,266,000) shall mature on October 1, 2017, shall be issued as fully registered bonds in the denomination of One Thousand Dollars and such other denominations as the officers of the Company shall determine to issue (such determination to be evidenced by the execution and delivery thereof), shall be dated as in Section 10 of the Mortgage provided, and the principal of, and, to the extent that payment of such interest is enforceable under the applicable law, interest on any overdue principal of, each said bond shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts.

(I) Form of Bonds of the Seventy-eighth Series.

The Bonds of the Seventy-eighth Series, and the Corporate Trustee's authentication certificate to be executed on the Bonds of the Seventy-eighth Series, shall be in substantially the following forms, respectively:

[FORM OF BOND OF SEVENTY-EIGHTH SERIES]

(TEMPORARY REGISTERED BOND)

This bond is not transferable except to a successor trustee under the Trust Indenture, dated as of January 1, 2013 (the "Jefferson County Trust Indenture"), between Jefferson County, Arkansas ("Jefferson County") relating to its Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 (the "Jefferson County Series 2013 Bonds") and Simmons First Trust Company, National Association, as trustee (the "Jefferson County Trust Indenture Trustee").

ENTERGY ARKANSAS, INC.

FIRST MORTGAGE BOND

Pollution Control Series G

No. TR-

ENTERGY ARKANSAS, INC., a corporation of the State of Arkansas (the "Company"), for value received, hereby promises to pay to Simmons First Trust Company, National Association, or registered assigns, on October 1, 2017 at the office or agency of the Company in the Borough of Manhattan, The City of New York,

_____ DOLLARS

in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts, without interest until the principal of this bond shall have become due and payable, and to pay interest on any overdue principal (to the extent that payment of such interest is enforceable under the applicable law) at the rate of 6% per annum.

This bond is a temporary bond and is one of an issue of bonds of the Company issuable in series and is one of a series known as its First Mortgage Bonds, Pollution Control Series G, all bonds of all series issued and to be issued under and equally secured (except insofar as any sinking or other fund, established in accordance with the provisions of the Mortgage hereinafter mentioned, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust (herein, together with any indenture supplemental thereto, including the Seventy-second Supplemental Indenture dated as of January 1, 2013, called the Mortgage), dated as of October 1, 1944, executed by the Company to Guaranty Trust Company of New York (Deutsche Bank Trust Company Americas, successor) (hereinafter sometimes called the "Corporate Trustee"), and, as to property, real or personal, situated or being in Missouri, Marvin A. Mueller (The Bank of New York Mellon Trust Company, National Association, successor), as Trustees. Reference is made to the Mortgage for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds and of the Trustees in respect thereof, the duties and immunities of the Trustees and the terms and conditions upon which the bonds are and are to be secured and the circumstances under which additional bonds may be issued. With the consent of the Company and to the extent permitted by and as provided in the Mortgage, the rights and obligations of the Company and/or the rights of the holders of the bonds and/or coupons and/or the terms and provisions of the Mortgage may be modified or altered by such affirmative vote or votes of the holders of bonds then outstanding as are specified in the Mortgage.

The principal hereof may be declared or may become due prior to the maturity date hereinbefore named on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a default as in the Mortgage provided.

This bond is not transferable except to any successor trustee under the Jefferson County Trust Indenture, any such transfer to be made in the manner prescribed in the Mortgage by the registered owner hereof in person, or by his duly authorized attorney, at the office or agency of the Company in the Borough of Manhattan, The City of New York, upon surrender and cancellation of this bond, together with a written instrument of transfer duly executed by the registered owner or by his duly authorized attorney, and thereupon a new fully registered temporary or definitive bond of the same series for a like principal amount will be issued to the transferee in exchange herefor as provided in the Mortgage. The Company and the Trustees may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes and neither the Company nor the Trustees shall be affected by any notice to the contrary.

In the manner prescribed in the Mortgage, any bonds of this series, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, are exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

In the manner prescribed in the Mortgage, this temporary bond is exchangeable at the office or agency of the Company in the Borough of Manhattan, The City of New York, without charge, for a definitive bond or bonds of the same series of a like aggregate principal amount when such definitive bonds are prepared and ready for delivery.

As provided in the Mortgage, the Company shall not be required to make transfers or exchanges of bonds of any series for a period of ten days immediately preceding any interest payment date for bonds of said series, or immediately preceding any designation of bonds of said series to be redeemed, and the Company shall not be required to make transfers or exchanges of any bonds designated in whole or in part for redemption.

The bonds of this series are subject to redemption as provided in the Seventy-second Supplemental Indenture.

The bonds of this series have been issued in order to evidence in part the obligation of the Company to make certain payments under the Loan Agreement, dated as of January 1, 2013, between Jefferson County and the Company.

The obligation of the Company to make any payment of the principal of or interest on the bonds of this series, whether at maturity, upon redemption or otherwise, shall be reduced by the amount of any reduction under the Jefferson County Trust Indenture of the amount of the corresponding payment required to be made by Jefferson County thereunder in respect of the principal of the Jefferson County Series 2013 Bonds.

The Trustees may conclusively presume that the obligation of the Company to pay the principal of and interest on the bonds of this series as the same shall become due and payable shall have been fully satisfied and discharged unless and until the Corporate Trustee shall have received a written notice (which may be a facsimile followed by a hard copy) from the Jefferson County Trust Indenture Trustee, signed by its President, a Vice President or a Trust Officer, stating that the corresponding payment of principal of or interest on the Jefferson County Series 2013 Bonds has become due and payable and has not been fully paid and specifying the amount of funds required to make such payment.

The Trustees may conclusively presume that no redemption of bonds of this series is required unless and until the Corporate Trustee shall have received a written notice (which may be a facsimile followed by a hard copy) from the Jefferson County Trust Indenture Trustee signed by its President, a Vice President or a Trust Officer, stating that the Jefferson County Series 2013 Bonds have become immediately due and payable pursuant to Section 8.02 of the Jefferson County Trust Indenture, upon the occurrence of an Event of Default under Section 8.01 (a), (b) or (c) of said Jefferson County Trust Indenture (a default by Jefferson County in the performance or observance of any covenants, agreements or conditions (other than payment covenants) in the Jefferson County Trust Indenture or the Jefferson County Series 2013 Bonds will not result in an obligation of the Company to redeem the bonds of this series), or that the Jefferson County Series 2013 Bonds are to be redeemed pursuant to Article III of the Jefferson County Trust Indenture and specifying the date fixed for the redemption and the principal amount thereof. Said notice shall also contain a waiver of notice under the Mortgage of such redemption by the Jefferson County Trust Indenture Trustee, as the holder of all the bonds of this series then Outstanding.

No recourse shall be had for the payment of the principal of or interest on this bond against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any predecessor or successor corporation, as such, either directly or through the Company or any predecessor or successor corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors being released by the holder or owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

This bond shall be construed in accordance with and governed by the laws of the State of New York.

This bond shall not become obligatory until Deutsche Bank Trust Company Americas, the Corporate Trustee under the Mortgage, or its successor thereunder, shall have signed the form of authentication certificate endorsed hereon.

IN WITNESS WHEREOF, ENTERGY ARKANSAS, INC. has caused this bond to be signed in its corporate name by its President or one of its Vice Presidents by his or her signature or a facsimile thereof, and its corporate seal to be impressed or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries, by his or her signature or a facsimile thereof, on

ENTERGY ARKANSAS, INC.

By _____

Attest:

CORPORATE TRUSTEE'S AUTHENTICATION CERTIFICATE

This bond is one of the bonds, of the series herein designated, described or provided for in the within-mentioned Mortgage.

DEUTSCHE BANK TRUST COMPANY AMERICAS,

as Corporate Trustee

By _____
Authorized Officer

(II) The bonds of the Seventy-eighth Series shall be issued in the aggregate principal amount of \$55,266,000 and delivered to, and registered in the name of and held by, Simmons First Trust Company, National Association (hereinafter the "Jefferson County Trust Indenture Trustee"), the trustee under the Trust Indenture, dated as of January 1, 2013 (the "Jefferson County Trust Indenture") between Jefferson County, Arkansas ("Jefferson County"), the issuer of the Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 (hereinafter the "Jefferson County Series 2013 Bonds"), in order to evidence in part the Company's obligation to make certain payments under the Loan Agreement dated as of January 1, 2013, between Jefferson County and the Company.

The obligation of the Company to make any payment of principal of the bonds of the Seventy-eighth Series, whether at maturity, upon redemption or otherwise, shall be reduced by the amount of any reduction under the Jefferson County Trust Indenture of the amount of the corresponding payment required to be made by Jefferson County thereunder in respect of the principal of the Jefferson County Series 2013 Bonds. The Trustees may conclusively presume that the obligation of the Company to pay the principal of the bonds of the Seventy-eighth Series as the same shall become due and payable shall have been fully satisfied and discharged unless and until the Corporate Trustee shall have received a written notice (which may be a facsimile followed by a hard copy) from the Jefferson County Trust Indenture Trustee, signed by its President, a Vice President or a Trust Officer, stating that the corresponding payment of principal of the Jefferson County Series 2013 Bonds has become due and payable and has not been fully paid and specifying the amount of funds required to make such payment.

(III) In the event that any Jefferson County Series 2013 Bonds outstanding under the Jefferson County Trust Indenture shall become immediately due and payable pursuant to Section 8.02 of the Jefferson County Trust Indenture upon the occurrence of an Event of Default under Section 8.01 (a), (b) or (c) of the Jefferson County Trust Indenture, all bonds of the Seventy-eighth Series then Outstanding shall be redeemed by the Company, on the date such Jefferson County Series 2013 Bonds shall have become immediately due and payable, at a redemption price of 100% of the principal amount thereof. A default by Jefferson County in the performance or observance of any covenants, agreements or conditions (other than payment covenants) in the Jefferson County Trust Indenture or the Jefferson County Series 2013 Bonds will not result in an obligation of the Company to redeem the bonds of the Seventy-eighth Series.

In the event that any Jefferson County Series 2013 Bonds are to be redeemed pursuant to Article III of the Jefferson County Trust Indenture, bonds of the Seventy-eighth Series, in a principal amount equal, as nearly as practicable, to the sum of (i) the principal amount of such Jefferson County Series 2013 Bonds being redeemed and (ii) eight-twelfths (8/12) of the annual interest due on such Jefferson County Series 2013 Bonds being redeemed, shall be redeemed by the Company, on the date fixed for redemption of such Jefferson County Series 2013 Bonds, at a redemption price of 100% of the principal amount thereof.

The Trustees may conclusively presume that no redemption of bonds of the Seventy-eighth Series is required pursuant to this subsection (III) unless and until the Corporate Trustee shall have received a written notice (which may be a facsimile followed by a hard copy) from the Jefferson County Trust Indenture Trustee signed by its President, a Vice President or a Trust Officer, stating that the Jefferson County Series 2013 Bonds have become immediately due and payable pursuant to Section 8.02 of the Jefferson County Trust Indenture upon the occurrence of an Event of Default under Section 8.01 (a), (b) or (c) of the Jefferson County Trust Indenture, or that the Jefferson County Series 2013 Bonds (or any portion thereof) are to be redeemed pursuant to Article III of the Jefferson County Trust Indenture and specifying the date fixed for the redemption and the principal amount thereof. Said notice shall also contain a waiver

of notice under the Mortgage of such redemption by the Jefferson County Trust Indenture Trustee, as the holder of all the bonds of the Seventy-eighth Series then Outstanding.

(IV) The Company hereby waives its right to have any notice of redemption pursuant to subsection (III) of this Section 1 state that such notice is subject to the receipt of the redemption moneys by the Corporate Trustee before the date fixed for redemption. Notwithstanding the provisions of Section 52 of the Mortgage, any such notice under such Section shall not be conditional.

(V) At the option of the registered owner, any bonds of the Seventy-eighth Series, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

Bonds of the Seventy-eighth Series shall not be transferable except to any successor trustee under the Jefferson County Trust Indenture and any such transfer shall be made (subject to the provisions of Section 12 of the Mortgage) at the office or agency of the Company in the Borough of Manhattan, The City of New York.

The Company hereby waives any right to make a charge for any exchange or transfer of bonds of the Seventy-eighth Series.

Upon the delivery of this Seventy-second Supplemental Indenture and upon compliance with the applicable provisions of the Mortgage, as heretofore supplemented, there shall be an initial issue of bonds of the Seventy-eighth Series for the aggregate principal amount of \$55,266,000.

ARTICLE II. SEVENTY-NINTH SERIES OF BONDS

SECTION 1. There shall be a series of bonds designated "Pollution Control Series H" (herein sometimes called the "Seventy-ninth Series"), each of which shall also bear the descriptive title "First Mortgage Bond", and the form thereof, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Seventy-ninth Series (which shall be initially issued in the aggregate principal amount of \$45,713,000) shall mature on January 1, 2021, shall be issued as fully registered bonds in the denomination of One Thousand Dollars and such other denominations as the officers of the Company shall determine to issue (such determination to be evidenced by the execution and delivery thereof), shall be dated as in Section 10 of the Mortgage provided, and the principal of, and, to the extent that payment of such interest is enforceable under the applicable law, interest on any overdue principal of, each said bond shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts.

(I) Form of Bonds of the Seventy-ninth Series.

The Bonds of the Seventy-ninth Series, and the Corporate Trustee's authentication certificate to be executed on the Bonds of the Seventy-ninth Series, shall be in substantially the following forms, respectively:

[FORM OF BOND OF SEVENTY-NINTH SERIES]

(TEMPORARY REGISTERED BOND)

This bond is not transferable except to a successor trustee under the Trust Indenture, dated as of January 1, 2013 (the "Independence County Trust Indenture"), between Independence County, Arkansas ("Independence County") relating to its Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 (the "Independence County Series 2013 Bonds") and Simmons First Trust Company, National Association, as trustee (the "Independence County Trust Indenture Trustee").

ENERGY ARKANSAS, INC.

FIRST MORTGAGE BOND

Pollution Control Series H

No. TR-

ENTERGY ARKANSAS, INC., a corporation of the State of Arkansas (the "Company"), for value received, hereby promises to pay to Simmons First Trust Company, National Association, or registered assigns, on January 1, 2021 at the office or agency of the Company in the Borough of Manhattan, The City of New York,

_____ DOLLARS

in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts, without interest until the principal of this bond shall have become due and payable, and to pay interest on any overdue principal (to the extent that payment of such interest is enforceable under the applicable law) at the rate of 6% per annum.

This bond is a temporary bond and is one of an issue of bonds of the Company issuable in series and is one of a series known as its First Mortgage Bonds, Pollution Control Series H, all bonds of all series issued and to be issued under and equally secured (except insofar as any sinking or other fund, established in accordance with the provisions of the Mortgage hereinafter mentioned, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust (herein, together with any indenture supplemental thereto, including the Seventy-second Supplemental Indenture dated as of January 1, 2013, called the Mortgage), dated as of October 1, 1944, executed by the Company to Guaranty Trust Company of New York (Deutsche Bank Trust Company Americas, successor) (hereinafter sometimes called the "Corporate Trustee"), and, as to property, real or personal, situated or being in Missouri, Marvin A. Mueller (The Bank of New York Mellon Trust Company, National Association, successor), as Trustees. Reference is made to the Mortgage for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds and of the Trustees in respect thereof, the duties and immunities of the Trustees and the terms and conditions upon which the bonds are and are to be secured and the circumstances under which additional bonds may be issued. With the consent of the Company and to the extent permitted by and as provided in the Mortgage, the rights and obligations of the Company and/or the rights of the holders of the bonds and/or coupons and/or the terms and provisions of the Mortgage may be modified or altered by such affirmative vote or votes of the holders of bonds then outstanding as are specified in the Mortgage.

The principal hereof may be declared or may become due prior to the maturity date hereinbefore named on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a default as in the Mortgage provided.

This bond is not transferable except to any successor trustee under the Independence County Trust Indenture, any such transfer to be made in the manner prescribed in the Mortgage by the registered owner hereof in person, or by his duly authorized attorney, at the office or agency of the Company in the Borough of Manhattan, The City of New York, upon surrender and cancellation of this bond, together with a written instrument of transfer duly executed by the registered owner or by his duly authorized attorney, and thereupon a new fully registered temporary or definitive bond of the same series for a like principal amount will be issued to the transferee in exchange herefor as provided in the Mortgage. The Company and the Trustees may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes and neither the Company nor the Trustees shall be affected by any notice to the contrary.

In the manner prescribed in the Mortgage, any bonds of this series, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, are exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

In the manner prescribed in the Mortgage, this temporary bond is exchangeable at the office or agency of the Company in the Borough of Manhattan, The City of New York, without charge, for a definitive bond or bonds of the same series of a like aggregate principal amount when such definitive bonds are prepared and ready for delivery.

As provided in the Mortgage, the Company shall not be required to make transfers or exchanges of bonds of any series for a period of ten days immediately preceding any interest payment date for bonds of said series, or immediately preceding any designation of bonds of said series to be redeemed, and the Company shall not be required to make transfers or exchanges of any bonds designated in whole or in part for redemption.

The bonds of this series are subject to redemption as provided in the Seventy-second Supplemental Indenture.

The bonds of this series have been issued in order to evidence in part the obligation of the Company to make certain payments under the Loan Agreement, dated as of January 1, 2013, between Independence County and the Company.

The obligation of the Company to make any payment of the principal of or interest on the bonds of this series, whether at maturity, upon redemption or otherwise, shall be reduced by the amount of any reduction under the Independence County Trust Indenture of the amount of the corresponding payment required to be made by Independence County thereunder in respect of the principal of the Independence County Series 2013 Bonds.

The Trustees may conclusively presume that the obligation of the Company to pay the principal of and interest on the bonds of this series as the same shall become due and payable shall have been fully satisfied and discharged unless and until the Corporate Trustee shall have received a written notice (which may be a facsimile followed by a hard copy) from the Independence County Trust Indenture Trustee, signed by its President, a Vice President or a Trust Officer, stating that the corresponding payment of principal of or interest on the Independence County Series 2013 Bonds has become due and payable and has not been fully paid and specifying the amount of funds required to make such payment.

The Trustees may conclusively presume that no redemption of bonds of this series is required unless and until the Corporate Trustee shall have received a written notice (which may be a facsimile followed by a hard copy) from the Independence County Trust Indenture Trustee signed by its President, a Vice President or a Trust Officer, stating that the Independence County Series 2013 Bonds have become immediately due and payable pursuant to Section 8.02 of the Independence County Trust Indenture, upon the occurrence of an Event of Default under Section 8.01 (a), (b) or (c) of said Independence County Trust Indenture (a default by Independence County in the performance or observance of any covenants, agreements or conditions (other than payment covenants) in the Independence County Trust Indenture or the Independence County Series 2013 Bonds will not result in an obligation of the Company to redeem the bonds of this series), or that the Independence County Series 2013 Bonds are to be redeemed pursuant to Article III of the Independence County Trust Indenture and specifying the date fixed for the redemption and the principal amount thereof. Said notice shall also contain a waiver of notice under the Mortgage of such redemption by the Independence County Trust Indenture Trustee, as the holder of all the bonds of this series then Outstanding.

No recourse shall be had for the payment of the principal of or interest on this bond against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any predecessor or successor corporation, as such, either directly or through the Company or any predecessor or successor corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors being released by the holder or owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

This bond shall be construed in accordance with and governed by the laws of the State of New York.

This bond shall not become obligatory until Deutsche Bank Trust Company Americas, the Corporate Trustee under the Mortgage, or its successor thereunder, shall have signed the form of authentication certificate endorsed hereon.

IN WITNESS WHEREOF, ENTERGY ARKANSAS, INC. has caused this bond to be signed in its corporate name by its President or one of its Vice Presidents by his or her signature or a facsimile thereof, and its corporate seal to be impressed or imprinted hereon and attested by its Secretary or one of its Assistant Secretaries, by his or her signature or a facsimile thereof, on .

ENTERGY ARKANSAS, INC.

By _____

Attest:

CORPORATE TRUSTEE'S AUTHENTICATION CERTIFICATE

This bond is one of the bonds, of the series herein designated, described or provided for in the within-mentioned Mortgage.

DEUTSCHE BANK TRUST COMPANY AMERICAS,

as Corporate Trustee

By _____
Authorized Officer

(II) The bonds of the Seventy-ninth Series shall be issued in the aggregate principal amount of \$45,713,000 and delivered to, and registered in the name of and held by, Simmons First Trust Company, National Association (hereinafter the "Independence County Trust Indenture Trustee"), the trustee under the Trust Indenture, dated as of January 1, 2013 (the "Independence County Trust Indenture") between Independence County, Arkansas ("Independence County"), the issuer of the Pollution Control Revenue Refunding Bonds (Entergy Arkansas, Inc. Project) Series 2013 (hereinafter the "Independence County Series 2013 Bonds"), in order to evidence in part the Company's obligation to make certain payments under the Loan Agreement dated as of January 1, 2013, between Independence County and the Company.

The obligation of the Company to make any payment of principal of the bonds of the Seventy-ninth Series, whether at maturity, upon redemption or otherwise, shall be reduced by the amount of any reduction under the Independence County Trust Indenture of the amount of the corresponding payment required to be made by Independence County thereunder in respect of the principal of the Independence County Series 2013 Bonds. The Trustees may conclusively presume that the obligation of the Company to pay the principal of the bonds of the Seventy-ninth Series as the same shall become due and payable shall have been fully satisfied and discharged unless and until the Corporate Trustee shall have received a written notice (which may be a facsimile followed by a hard copy) from the Independence County Trust Indenture Trustee, signed by its President, a Vice President or a Trust Officer, stating that the corresponding payment of principal of the Independence County Series 2013 Bonds has become due and payable and has not been fully paid and specifying the amount of funds required to make such payment.

(III) In the event that any Independence County Series 2013 Bonds outstanding under the Independence County Trust Indenture shall become immediately due and payable pursuant to Section 8.02 of the Independence County Trust Indenture upon the occurrence of an Event of Default under Section 8.01 (a), (b) or (c) of the Independence County Trust Indenture, all bonds of the Seventy-ninth Series then Outstanding shall be redeemed by the Company, on the date such Independence County Series 2013 Bonds shall have become immediately due and payable, at a redemption price of 100% of the principal amount thereof. A default by Independence County in the performance or observance of any covenants, agreements or conditions (other than payment covenants) in the Independence County Trust Indenture or the Independence County Series 2013 Bonds will not result in an obligation of the Company to redeem the bonds of the Seventy-ninth Series.

In the event that any Independence County Series 2013 Bonds are to be redeemed pursuant to Article III of the Independence County Trust Indenture, bonds of the Seventy-ninth Series, in a principal amount equal, as nearly as practicable, to the sum of (i) the principal amount of such Independence County Series 2013 Bonds being redeemed and (ii) eight-twelfths (8/12) of the annual interest due on such Independence County Series 2013 Bonds being redeemed, shall be redeemed by the Company, on the date fixed for redemption of such Independence County Series 2013 Bonds, at a redemption price of 100% of the principal amount thereof.

The Trustees may conclusively presume that no redemption of bonds of the Seventy-ninth Series is required pursuant to this subsection (III) unless and until the Corporate Trustee shall have received a written notice (which may be a facsimile followed by a hard copy) from the Independence County Trust Indenture Trustee signed by its President, a Vice President or a Trust Officer, stating that the Independence County Series 2013 Bonds have become immediately due and payable pursuant to Section 8.02 of the Independence County Trust Indenture upon the occurrence of an Event of Default under Section 8.01 (a), (b) or (c) of the Independence County Trust Indenture, or that the Independence County Series 2013 Bonds (or any portion thereof) are to be redeemed pursuant to Article III of the Independence County Trust Indenture and specifying the date fixed for the redemption and the principal amount thereof. Said notice shall also contain a waiver of notice under the Mortgage of such redemption by the Independence County Trust Indenture Trustee, as the holder of all the bonds of the Seventy-ninth Series then Outstanding.

(IV) The Company hereby waives its right to have any notice of redemption pursuant to subsection (III) of this Section 1 state that such notice is subject to the receipt of the redemption moneys by the Corporate Trustee before the date fixed for redemption. Notwithstanding the provisions of Section 52 of the Mortgage, any such notice under such Section shall not be conditional.

(V) At the option of the registered owner, any bonds of the Seventy-ninth Series, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

Bonds of the Seventy-ninth Series shall not be transferable except to any successor trustee under the Independence County Trust Indenture and any such transfer shall be made (subject to the provisions of Section 12 of the Mortgage) at the office or agency of the Company in the Borough of Manhattan, The City of New York.

The Company hereby waives any right to make a charge for any exchange or transfer of bonds of the Seventy-ninth Series.

Upon the delivery of this Seventy-second Supplemental Indenture and upon compliance with the applicable provisions of the Mortgage, as heretofore supplemented, there shall be an initial issue of bonds of the Seventy-ninth Series for the aggregate principal amount of \$45,713,000.

ARTICLE III MISCELLANEOUS PROVISIONS

SECTION 1. The holders of the bonds of the Seventy-eighth Series and of the Seventy-ninth Series shall be deemed to have consented and agreed that the Company may, but shall not be obligated to, fix a record date for the purpose of determining the holders of the bonds of the Seventy-eighth Series and of the Seventy-ninth Series entitled to consent to any amendment or supplement to the Mortgage or the waiver of any provision thereof or any act to be performed thereunder. If a record date is fixed, those persons who were holders at such record date (or their duly designated proxies), and only those persons, shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such persons continue to be holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date.

SECTION 2. Subject to the amendments provided for in this Seventy-second Supplemental Indenture, the terms defined in the Mortgage and the First through Seventy-first Supplemental Indentures shall, for all purposes of this Seventy-second Supplemental Indenture, have the meanings specified in the Mortgage and the First through Seventieth Supplemental Indentures.

SECTION 3. The Trustees hereby accept the trusts herein declared, provided, created or supplemented and agree to perform the same upon the terms and conditions herein and in the Mortgage and in the First through Seventy-first Supplemental Indentures set forth and upon the following terms and conditions:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Seventy-second Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. In general each and every term and condition contained in Article XVII of the Mortgage, as heretofore amended, shall apply to and form part of this Seventy-second Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Seventy-second Supplemental Indenture.

SECTION 4. Whenever in this Seventy-second Supplemental Indenture any of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XVI and XVII of the Mortgage, as heretofore amended, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Seventy-second Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustees, or any of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 5. Nothing in this Seventy-second Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds and coupons Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Seventy-second Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises or

agreements in this Seventy-second Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the bonds and of the coupons Outstanding under the Mortgage.

SECTION 6. This Seventy-second Supplemental Indenture shall 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 7. This Seventy-second Supplemental Indenture shall be construed in accordance with and governed by the laws of the State of New York.

IN WITNESS WHEREOF, ENTERGY ARKANSAS, INC. has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice Presidents, and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries for and in its behalf, and DEUTSCHE BANK TRUST COMPANY AMERICAS has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by, one of its Vice Presidents or one of its Assistant Vice Presidents, and its corporate seal to be attested by one of its Associates for and in its behalf, and THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Vice Presidents or one of its Senior Associates or one of its Associates, and its corporate seal to be attested by one of its Vice Presidents or one of its Senior Associates or one of its Associates for and in its behalf, as of the day and year first above written.

ENTERGY ARKANSAS, INC.

By: /s/ Steven C. McNeal
Steven C. McNeal
Vice President

Attest:

By: /s/ Dawn Balash
Dawn Balash
Assistant Secretary

Executed, sealed and delivered by
ENTERGY ARKANSAS, INC.
in the presence of:

/s/ Shannon Ryerson
Shannon Ryerson

/s/ Christina Edwards
Christina Edwards

DEUTSCHE BANK TRUST COMPANY AMERICAS,
As Corporate Trustee

By: /s/ Carol Ng
Carol Ng
Vice President

By: /s/ David Contino

David Contino
Vice President

Attest:

/s/ Renee Cummins
Renee Cummins

Executed, sealed and delivered by

DEUTSCHE BANK TRUST COMPANY AMERICAS

in the presence of:

/s/ Piero Cardich
Piero Cardich

/s/ Nigel Luke
Nigel Luke

THE BANK OF NEW YORK MELLON TRUST COMPANY,
NATIONAL ASSOCIATION,
As Co-Trustee as to property, real or personal, situated
or being in Missouri

By: /s/ R. Tarnas
R. Tarnas
Vice President

Attest:

By: /s/ Linda Garcia
Linda Garcia
Vice President

Executed, sealed and delivered by

THE BANK OF NEW YORK MELLON TRUST COMPANY,
NATIONAL ASSOCIATION

in the presence of:

By: /s/ Irina Colon
Irina Colon

By: /s/ Ross N. Finke
Ross N. Finke

STATE OF LOUISIANA)
) SS.:
PARISH OF ORLEANS)

On this 3rd day of January, 2013 before me, Jennifer Favalora , a Notary Public duly commissioned, qualified and acting within and for said Parish and State, appeared in person the within named Steven C. McNeal and Dawn Balash, to me personally well known, who stated that they were the Vice President and Treasurer and Assistant Secretary, respectively, of ENTERGY ARKANSAS, INC., a corporation, and were duly authorized in their respective capacities to execute the foregoing instrument for and in the name and behalf of said corporation, and further stated and acknowledged that they had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

On the 3rd day of January, 2013, before me personally came Steven C. McNeal, to me known, who, being by me duly sworn, did depose and say that he is the Vice President and Treasurer of ENTERGY ARKANSAS, INC., one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

On the 3rd day of January, 2013, before me appeared Dawn Balash, to me personally known, who, being by me duly sworn, did say that she is the Assistant Secretary of ENTERGY ARKANSAS, INC., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and she acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said Parish and State the day and year last above written.

/s/ _____ Jennifer
Favalora
Jennifer Favalora
Notary Public No. 57639
Parish of Orleans, State of Louisiana
My Commission is Issued For Life

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 4th day of January, 2013, before me, Anabelle Roa, a Notary Public duly commissioned, qualified and acting within and for said County and State, appeared Carol Ng, David Contino and Renee Cummins, to me personally well known, who stated that they were a Vice President, a Vice President, and an Associate, respectively, of DEUTSCHE BANK TRUST COMPANY AMERICAS, a corporation, and were duly authorized in their respective capacities to execute the foregoing instrument for and in the name and behalf of said corporation; and further stated and acknowledged that they had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

On the 4th day of January, 2013, before me personally came Carol Ng and David Contino, to me known, who, being by me duly sworn, did depose and say that they are a Vice President and a Vice President of DEUTSCHE BANK TRUST COMPANY AMERICAS, one of the corporations described in and which executed the above instrument; that they know the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that they signed their names thereto by like authority.

On the 4th day of January, 2013, before me appeared Renee Cummins, to me personally known, who, being by me duly sworn, did say that she is an Associate of DEUTSCHE BANK TRUST COMPANY AMERICAS, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and she acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said County and State the day and year last above written.

/s/ Anabelle Roa
Anabelle Roa
Notary Public, State of New York
No. 01R06266868
Qualified in New York County
Commission Expires August 6, 2016

STATE OF ILLINOIS)
) SS.:
COUNTY OF COOK)

On this 4th day of January, 2013, before me, Julie Meador, a Notary Public duly commissioned, qualified and acting within and for said state, appeared R. Tarnas and Linda Garcia, personally known to me, or proved to me on the basis of satisfactory evidence to be the individuals whose names are subscribed to the within instrument, who stated that they were a Vice President and Vice President, respectively, of THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as Co-Trustee as to property, real or personal, situated or being in Missouri (the "Missouri Co-Trustee"), and were duly authorized in their respective capacities to execute the foregoing instrument for and in the name and on behalf of said Missouri Co-Trustee; and further stated that they had so signed, executed and delivered the same for the consideration, uses and purposes therein mentioned and set forth.

On this 4th day of January, 2013, before me personally appeared R. Tarnas, personally known to me, or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and, who, being by me duly sworn, did depose and say that he is a Vice President of THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION, one of the entities described in and which executed the above instrument; that he knows the seal of said National Association; that the seal affixed to said instrument is such seal; that it was so affixed by authority of its Board of Directors, and that he signed his name thereto by like authority.

On this 4th day of January, 2013, before me appeared Linda Garcia, personally known to me, or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and, who, being by me duly sworn, did say that she is a Vice President of THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION, and that the seal affixed to the foregoing instrument is the seal of the Missouri Co-Trustee, and that said instrument was signed and sealed on behalf of the Missouri Co-Trustee by authority of its Board of Directors, and he/she acknowledged said instrument to be the free act and deed of said entity.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said City and State the day and year last above written.

/s/ Julie Meador
Julie Meador
Notary Public, State of Illinois
Commission Expires 2-6-16