

The Mayor and City Council (the "Governing Body") of the City of Pascagoula, Mississippi (the "City"), took up for further consideration the matter of issuance of Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project) in the principal amount of not to exceed Six Hundred Ninety-Six Thousand Seven Hundred Seventy Thousand Dollars (\$696,770) of an authorized principal amount of One Million Three Hundred Sixty-Five Thousand Dollars (\$1,365,000). After a discussion of the subject, Councilperson _____ offered and moved the adoption of the following resolution:

RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF TAXABLE TAX INCREMENT LIMITED OBLIGATION BONDS, SERIES 2022 (LAFONT INN REDEVELOPMENT PROJECT), OF THE CITY OF PASCAGOULA, MISSISSIPPI (THE "CITY"), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED SIX HUNDRED NINETY-SIX THOUSAND SEVEN HUNDRED SEVENTY THOUSAND DOLLARS (\$696,770) OF AN AUTHORIZED PRINCIPAL AMOUNT OF ONE MILLION THREE HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$1,365,000) TO RAISE MONEY FOR THE PURPOSE OF PAYING THE COST OF THE INFRASTRUCTURE IMPROVEMENTS (AS HEREINAFTER DEFINED), FUNDING A RESERVE FUND, AND PAYING COSTS OF ISSUANCE.

WHEREAS, the Mayor and City Council of the City of Pascagoula, Mississippi, acting for and on behalf of said City of Pascagoula, Mississippi (the "Governing Body" of the "City"), hereby finds, determines, adjudicates and declares as follows:

1. (a) In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Sections 21-45-1 through 21-45-21, Mississippi Code of 1972, as amended and/or supplemented from time to time.

"Act of Bankruptcy" shall mean the filing of a petition in bankruptcy by or against the City under any applicable bankruptcy, insolvency, reorganization or similar law, now or hereafter in effect.

"Ad Valorem Tax Surplus" shall mean the remainder of the additional ad valorem tax receipts derived from taxation of the Captured Assessed Value after deducting the amount necessary to pay annual debt service on the Bonds together with the fees and expenses of the Paying Agent that, subject to replenishing the Reserve Requirement as described in Section 13, can be withheld by the City and used for any lawful purpose as authorized by Section 21-45-21 of the Act.

"Agent" shall mean any Paying Agent or Transfer Agent, whether serving in either or both capacities, and herein designated by the Governing Body.

"Assessment Certificate" shall mean the Assessment Certificate to be used by the Clerk to annually determine the Tax Increment and attached hereto as **EXHIBIT A**.

"Authorized Officer" means the Mayor, the City Manager, the Clerk and any other officer designated from time to time as an Authorized Officer by resolution of the City, and when used with reference to any act or document also means any other Person authorized by resolution of the City to perform such act or sign such document.

"Bond" or "Bonds" shall mean the not to exceed \$696,770 Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project) of the City authorized and directed to be issued in the Bond Resolution.

"Bond Counsel" shall mean Butler Snow LLP, Gulfport, Mississippi.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement (Private Placement) by and between the City and the Purchaser, to be dated the date of the sale of the Bonds to the Purchaser by the City, the form of which is attached hereto as **EXHIBIT C**.

"Bond Resolution" shall mean this resolution.

"Captured Assessed Value" shall mean the incremental increase in assessed value of the real and personal property within the TIF District when the Original Assessed Value is subtracted from the Current Assessed Value as of January 1, 2022, and each January 1 thereafter, all as set forth in the annual Assessment Certificate of each of the Jackson County Tax Assessor and/or the Clerk of the City.

"City" shall mean the City of Pascagoula, Mississippi.

"City Manager" shall mean the City Manager of the City.

"Clerk" shall mean the Clerk of the City.

"Closing Date" shall mean the date the Bond transaction is funded by the Purchaser.

"Commitment Letter" shall mean the proposal of the Purchaser for the purchase of the Bonds approved by the City pursuant to the terms and provisions of this Bond Resolution.

"County" shall mean Jackson County, Mississippi.

"Current Assessed Value" shall mean the estimated assessed value of the Redevelopment Project and all improvement thereon that constitute real property and personal property as determined by the Jackson County Tax Assessor as of January 1, 2022, and on each January 1 thereafter, said determination being made pursuant to information made available to the Jackson County Tax Assessor by the owner of the Redevelopment Project and the TIF District.

"Developer" shall mean LaFont Inn, LLC, a Mississippi limited liability company.

"Developer's Project" shall mean the construction of a mixed-use development with a hotel, retail shops, restaurants and related uses located on approximately 10 acres at the corner of Hospital Road and Highway 90 within the TIF District and the City and as more particularly detailed in the Tax Increment Financing Plan.

"Development Agreement" shall mean the Development and Reimbursement Agreement between the Developer and the City, dated as of August 5, 2014.

"Governing Body" shall mean the Mayor and City Council of the City.

"Guaranty Agreement" shall mean the Debt Service Reserve Guaranty Agreement between the Purchaser, the City, and the Developer.

"Infrastructure Improvements" shall mean and include, but not necessarily be limited to, various infrastructure improvements in connection with the Developer's Project, including but not limited to, installation and/or relocation of utilities such as water, sanitary sewer, construction, renovation, or rehabilitation of drainage improvements, roadways, curbs, gutters, sidewalks, site improvements including earth work and excavation, surface parking public signage, electrical improvements, landscaping of rights-of-way, related architectural/engineering fees, attorney's fees, Tax Increment Financing Plan preparation fees, issuance costs, capitalized interest, and other related soft costs identified in the Tax Increment Financing Plan.

"Mayor" shall mean the Mayor of the City.

"Municipal Advisor" shall mean Municipal Advisors of Mississippi, Gulfport, Mississippi, as independent registered municipal advisor to the City.

"Original Assessed Value" shall mean the assessed value of the real property, including personal property located thereon, located within the TIF District as of July 31, 2011, as certified by the Jackson County Tax Assessor and/or the Clerk of the City and as defined in Section 21-45-21 of the Act.

"Paying Agent" shall mean Hancock Whitney Bank, Jackson, Mississippi, or any bank, trust company or other institution hereafter designated by the Governing Body for the payment of the principal of and interest on the Bonds.

"Person" shall mean an individual, partnership, corporation, limited liability company, trust or unincorporated organization and a government or agency or political subdivision thereof.

"Purchaser" shall mean the Hancock Whitney Bank, Gulfport, Mississippi.

"Record Date" shall mean, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date or the date set for redemption or any mandatory sinking fund redemption date.

"Record Date Registered Owner" shall mean the Registered Owner as of the Record Date.

"Redevelopment Plan" shall mean the Tax Increment Financing Redevelopment Plan of 2002, the City of Pascagoula Mississippi, as Amended and Restated, August 2011, approved by the City, as may be amended from time to time.

"Redevelopment Project" shall mean together the Developer's Project and the Infrastructure Improvements.

"Registered Owner" shall mean the Person whose name shall appear in the registration records of the City maintained by the Transfer Agent.

"Reserve Fund" shall mean the City of Pascagoula, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project) Reserve Fund for the Bonds into which the City will deposit the Reserve Requirement.

"Reserve Requirement" shall mean \$77,000 or, with the written approval of the Purchaser, the lesser of the following: (1) ten percent (10%) of the stated principal amount of the Bonds, (2) the maximum annual principal and interest requirement for the Bonds, or (3) one hundred twenty-five percent (125%) of the average annual principal and interest payments on the Bonds.

"Sales Tax Diversion" shall mean fifty percent (50%) of the increase in sales tax rebates collected by the City from the Redevelopment Project over the sales tax rebates collected in the twelve (12) month period ending on July 31, 2011, which was \$0.00.

"Sales Tax Diversion Surplus" shall mean the remainder of the Sales Tax Diversion after deducting the amount necessary to pay annual debt service due on the Bonds and the annual fees and expenses of the Paying Agent, and to satisfy the Reserve Requirement as described in Section 13, that can be withheld by the City and used for any lawful purpose as authorized by Section 21-45-21 of the Act.

"Tax Increment" shall mean (i) the Sales Tax Diversion of the City; and (ii) the added increments of one hundred percent (100%) of the City's ad valorem tax revenue which results from the taxation of the Captured Assessed Value of the real property and personal property contained within the TIF District and forming a part of the Redevelopment Project, excluding school district taxes, which shall be necessary and sufficient to pay the principal of and interest on the Bonds together with the annual fees and expenses of the Paying Agent and to satisfy the Reserve Requirement as described in Section 13.

"Tax Increment Financing Plan" shall mean the *Tax Increment Financing Plan, La Font Inn Redevelopment Project, City of Pascagoula, Mississippi, August 2011*, adopted on August 2, 2011, and as may be amended from time to time.

"Tax Increment Surplus" shall mean together the Ad Valorem Tax Surplus and the Sales Tax Diversion Surplus.

"TIF District" shall mean the real property, including personal property located thereon, located within the City as more fully described and identified in the Tax Increment Financing Plan as the "TIF District" and includes the following tax parcel numbers: 41702984.110, 41742001.000, 41742002.000, 41742003.000, 41742004.000, and 41742005.000.

"Transfer Agent" shall mean any bank, trust company or other institution hereafter designated by the Governing Body for the registration of owners of the Bonds and for the performance of such other duties as may be herein or hereafter specified by the Governing Body.

"2022 Bond Fund" shall mean the City of Pascagoula, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project) Bond Fund provided for in Section 12 hereof.

"2022 Construction Fund" shall mean the City of Pascagoula, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project) Construction Fund provided for in Section 14 hereof.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any of such words and terms.

2. The City of Pascagoula, Mississippi, a municipality as defined in Title 21, Chapter 45, Section 3, Mississippi Code of 1972, as amended, is authorized and empowered by the Constitution and Statutes of the State of Mississippi, including the Act, to undertake and carry out redevelopment projects within an area determined by the Governing Body of the City to be in need of development and/or redevelopment and designated as appropriate for a redevelopment project, in accordance with Redevelopment Plan and Tax Increment Financing Plan adopted by the Governing Body of the City.

3. Said redevelopment projects may include:

(i) to acquire the redevelopment area, including lands, structures or improvements the acquisition of which is necessary or incidental to the proper clearance, development or redevelopment of such areas or to the prevention of the spread or recurrence of slum conditions or conditions of blight;

(ii) to clear the redevelopment area by demolition or removal of existing buildings, structures, streets, utilities or other improvements thereon and to install, construct or reconstruct streets, utilities, bulkheads, boat docks and site improvements essential to the preparation of sites for uses in accordance with the Redevelopment Plan and public improvements to encourage private redevelopment in accordance with the Redevelopment Plan; or

(iii) to sell or lease property acquired by the City as part of the Redevelopment Project for not less than its fair value for uses in accordance with the Redevelopment Plan to retain property or public improvements for public use in accordance with the Redevelopment Plan.

The "Redevelopment Project" may also include the preparation of the Redevelopment Plan, the planning, survey and other work incident to the Redevelopment Project and the preparation of all plans and arrangements for carrying out the Redevelopment Project, and the relocation of businesses and families required under applicable law.

4. The Governing Body of the City approved the Redevelopment Plan in the manner required by the Act. On August 2, 2011, the Tax Increment Financing Plan, after conducting a public hearing as required by the Act, was approved by the Governing Body creating the TIF District and authorizing the issuance of tax increment financing bonds in an amount not to exceed One Million Three Hundred Sixty-Five Thousand Dollars (\$1,365,000) the payment of which is to be secured by the Tax Increment.

5. The City, to the greatest extent it determines to be feasible, shall afford maximum opportunity, consistent with the sound needs of the City as a whole, to the rehabilitation or redevelopment of the redevelopment area by private enterprise. In order to utilize appropriate private or public resources to eliminate and prevent the development or spread of slums and urban blight, to encourage needed urban rehabilitation, to provide for the redevelopment of slum and blighted areas, and to achieve the objectives of the Redevelopment Plan, the City shall encourage rehabilitation and clearance and redevelopment within the redevelopment area by: (1) carrying out a program of voluntary repair and rehabilitation of buildings or other improvements in accordance with the Redevelopment Plan, including, from time to time, making loans to defray all or part of the costs (including costs of acquiring real estate) of repairing and rehabilitating buildings or other improvements in accordance with the Redevelopment Plan; and (2) making loans, from time to time, to defray all or part of the costs of acquiring real property, demolishing and removing buildings and improvements, and constructing improvements (including buildings) in the redevelopment area in accordance with the Redevelopment Plan. Such loans shall be made in accordance with the requirements under the General Plan as defined in the Redevelopment Plan. The City shall also have full authority to issue tax increment bonds for the purpose of completing all of or a part of the Infrastructure Improvements in accordance with the Tax Increment Financing Plan.

6. The City desires to issue and sell the tax increment financing bonds in the principal amount not to exceed Six Hundred Ninety-Six Thousand Seven Hundred Seventy Dollars (\$696,770), which is a portion of the authorized principal amount in the Tax Increment Financing Plan of not to exceed One Million Three Hundred Sixty-Five Thousand Dollars (\$1,365,000), for the purpose of financing the cost of the Infrastructure Improvements, funding the Reserve Fund, and paying issuance costs in accordance with the Redevelopment Plan and the Tax Increment Financing Plan.

7. As an inducement to the City to issue the Bonds and to apply the proceeds of such Bonds to fund the cost of constructing the Infrastructure Improvements, funding the Reserve Fund, and paying costs of issuance, it being contemplated by the City that the Tax Increment shall be dedicated to and sufficient for the payment of principal of and interest on the Bonds and to fund the Reserve Fund.

8. The Governing Body will not provide for the issuance of additional bonds payable from the Tax Increment unless the Tax Increment for the preceding year prior to the issuance of the additional bonds was sufficient to provide at least 1.20 to 1 debt service coverage of the combined debt service of such additional bonds and the Bonds, and it receives the written consent of the Registered Owner.

9. The Governing Body is authorized and empowered by the provisions of the Act to issue the Bonds in the form and manner hereinafter provided for by the Act.

10. It has now become necessary to make provision for the preparation, execution and issuance of said Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. (a) In consideration of the purchase and acceptance of any and all of the Bonds by those who shall hold the same from time to time, the Bond Resolution shall constitute a contract between the City and the Registered Owners from time to time of the Bonds.

(b) For the purpose of effecting and providing for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue, there is hereby irrevocably pledged:

(i) the avails of the Tax Increment authorized herein as the same is received; and

(ii) the amounts held on behalf of the City in the funds and accounts established herein, namely the 2022 Construction Fund, the Reserve Fund, and the 2022 Bond Fund.

Should there be a failure in any year to comply with the requirements of this subsection (b), such failure shall not impair the right of the Registered Owners of any of the Bonds to subsequently receive payments of principal of and interest on the Bonds from the avails of the Tax Increment or amounts in the funds and accounts named in this subsection (b).

The pledge made herein and the covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction.

SECTION 2. The Bonds are hereby authorized and ordered to be prepared and issued in the principal amount not to exceed Six Hundred Ninety-Six Thousand Seven Hundred Seventy Thousand Dollars (\$696,770) to raise money for the purpose of paying the costs of constructing the Infrastructure Improvements, funding the Reserve Fund, and paying costs of issuance as authorized by the Act; provided, however, such Bonds shall not be issued unless certain conditions precedent to the issuance of the Bonds as set forth in the Development Agreement have been satisfied.

SECTION 3. Payments of interest on the Bonds shall be made to the Record Date Registered Owner, and payments of principal shall be made upon presentation and surrender thereof at the principal office of the Paying Agent to the Record Date Registered Owner in lawful money of the United States of America.

(a) The Bonds shall be registered as to both principal and interest; shall be dated the date of delivery, shall be issued in the principal denomination of \$100,000 or any integral multiple of \$1000 in excess thereof up to the amount of a single maturity; shall be numbered from one upward in the order of issuance; shall bear interest from the date thereof at the rate or rates and payable each year on the date or dates specified in the Bond Purchase Agreement (the "Interest Payment Date"); and shall mature and become due and payable on the dates and in the principal amounts as set forth in the Bond Purchase Agreement provided that the final maturity of the Bonds does not exceed fifteen (15) years from the Closing Date, such terms and provisions of the Bonds to be in compliance with the Act.

(b) The Bonds are subject to mandatory redemption on any Interest Payment Date, in inverse order of maturity, from funds transferred to the 2022 Bond Fund from the 2022 Construction

Fund representing excess funds not utilized for the Infrastructure Improvements remaining in the 2022 Construction Fund; provided, however, if the moneys transferred from the 2022 Construction Fund to the 2022 Bond Fund total less than \$5,000, such moneys shall be used on the following Interest Payment Date for the Bonds to pay interest or principal and interest due on the Bonds.

(c) The Bonds will be subject to optional redemption prior to their stated dates of maturity, at par, plus accrued interest to the date of redemption either in whole or in part, in inverse order of maturity and by lot within a maturity on any Interest Payment Date. The Bonds may also be issued as term bonds subject to mandatory sinking fund redemption as set forth in the Bond Purchase Agreement.

(d) Notice of redemption identifying the numbers of Bonds or portions thereof to be redeemed shall be given to the Registered Owners thereof by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption; provided, however, such notice of redemption can be waived by the Registered Owners of the Bonds. Failure to mail or receive any such notice, or any defect therein or in the mailing thereof, shall not affect the validity of any proceedings for the redemption of Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been given, irrespective of whether received. If such written notice of redemption is made and if due provision for payment of the redemption price is made, all as provided above, the Bonds which are to be redeemed thereby automatically shall be deemed to have been redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the owner to receive the redemption price out of the funds provided for such payment. If at the time of mailing of any notice of redemption, there shall not be on deposit with the Paying Agent sufficient moneys to redeem all of the Bonds called for redemption, such notice shall state that it is subject to the deposit of moneys with the Paying Agent not later than on the redemption date and shall be of no effect unless such moneys are deposited.

SECTION 4. When the Bonds shall have been validated and executed as herein provided, they shall be registered as an obligation of the City in the office of the Clerk in a record maintained for that purpose, and the Clerk shall cause to be imprinted upon, or attached to, the reverse side of each of the Bonds, over his manual or facsimile signature and manual or facsimile seal, his certificate in substantially the form set out in Section 6.

(a) The Bonds shall be executed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk, with the seal of the City imprinted or affixed thereto; provided, however all signatures and seals appearing on the Bonds, other than the signature of an authorized officer of the Transfer Agent hereafter provided for, may be facsimile and shall have the same force and effect as if manually signed or impressed. In case any official of the City whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such official before the delivery or reissuance thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or reissuance.

(b) The Bonds shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of their sale and award, together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance, sale and validation of the Bonds, and the final, unqualified approving opinion of Bond Counsel, which opinion shall be imprinted on the reverse of, or attached to, each of the Bonds.

(c) Prior to or simultaneously with the delivery by the Transfer Agent of any of the Bonds, the City shall file with the Transfer Agent:

(i) a copy, certified by the Clerk, of the transcript of proceedings of the Governing Body in connection with the authorization, issuance, sale and validation of the Bonds; and

(ii) an authorization to the Transfer Agent, signed by the Mayor or Clerk, to authenticate and deliver the Bonds to the Purchaser.

(d) At delivery, the Transfer Agent shall authenticate the Bonds and deliver them to the Purchaser thereof upon payment of the purchase price of the Bonds to the City.

(e) Bonds, blank as to denomination, rate of interest, date of maturity and numbered 1 upward and sufficient in quantity in the judgment of the City to meet the reasonable transfer and reissuance needs on the Bonds, shall be printed and delivered to the Transfer Agent in generally-accepted format, and held by the Transfer Agent until needed for transfer or reissuance, whereupon the Transfer Agent shall imprint the appropriate information as to denomination, rate of interest, date of maturity and number prior to the registration, authentication and delivery thereof to the transferee holder. The Transfer Agent is hereby authorized upon the approval of the Governing Body to have printed from time to time as necessary additional Bonds bearing the manual or facsimile seal of the City and manual or facsimile signatures of the persons who were the officials of the Governing Body as of the date of original issue of the Bonds.

SECTION 5. The City hereby appoints Hancock Whitney Bank, Jackson, Mississippi, as the Paying and Transfer Agent for the Bonds for so long as the Purchaser is the Registered Owner, notwithstanding anything herein to the contrary. The Paying and Transfer Agent shall be a bank or trust company located within the State of Mississippi, or in the alternative, it may be the Clerk. The City specifically reserves the right to hereafter designate a separate Transfer Agent and/or Paying Agent in its discretion in the manner hereinafter provided.

(a) So long as any of the Bonds shall remain outstanding, the City shall maintain with the Transfer Agent records for the registration and transfer of the Bonds. The Transfer Agent is hereby appointed registrar for the Bonds, in which capacity the Transfer Agent shall register in such records and permit to be transferred thereon, under such reasonable regulations as may be prescribed, any Bond entitled to registration or transfer.

(b) The City shall pay or reimburse the Agent for reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to paying agents, transfer agents and bond registrars, subject to agreement between the City and the Agent. Fees and reimbursements for extraordinary services and expenses, so

long as not occasioned by the negligence, misconduct or willful default of the Agent, shall be made by the City on a case-by-case basis, subject, where not prevented by emergency or other exigent circumstances, to the prior written approval of the Governing Body.

(c) An Agent may at any time resign and be discharged of the duties and obligations of either the function of the Paying Agent or Transfer Agent, or both, by giving at least sixty (60) days' written notice to the City and may be removed from either or both of said functions at any time by resolution of the Governing Body delivered to the Agent. The resolution shall specify the date on which such removal shall take effect and the name and address of the successor Agent and shall be transmitted to the Agent being removed within a reasonable time prior to the effective date thereof. Provided, however, that no resignation or removal of an Agent shall become effective until a successor Agent has been appointed pursuant to the Bond Resolution.

(i) Upon receiving notice of the resignation of an Agent, the City shall promptly appoint a successor Agent by resolution of the Governing Body. Any appointment of a successor Agent shall become effective upon acceptance of appointment by the successor Agent. If no successor Agent shall have been so appointed and have accepted appointment within thirty (30) days after the notice of resignation, the resigning Agent may petition any court of competent jurisdiction for the appointment of a successor Agent, which court may thereupon, after such notice as it may deem appropriate, appoint a successor Agent.

(ii) In the event of a change of Agents, the predecessor Agent shall cease to be custodian of any funds held pursuant to the Bond Resolution in connection with its role as such Agent, and the successor Agent shall become such custodian; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Agent shall be fully paid. Every predecessor Agent shall deliver to its successor Agent all records of account, registration records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Agent.

(iii) Any successor Agent appointed under the provisions hereof shall be a bank, trust company or national banking association having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls.

(iv) Every successor Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor Agent and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Agent, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor.

(v) Should any transfer, assignment or instrument in writing be required by any successor Agent from the City to more fully and certainly vest in such successor Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Agent, any such transfer, assignment and written instruments shall, on request, be executed, acknowledged and delivered by the City.

(vi) The City will provide any successor Agent with certified copies of all resolutions, orders and other proceedings adopted by the Governing Body relating to the Bonds.

(vii) All duties and obligations imposed hereby on an Agent or successor Agent shall terminate upon the accomplishment of all duties, obligations and responsibilities imposed by law or required to be performed by the Bond Resolution.

(d) Any corporation or association into which an Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its 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, shall be and become successor Agent hereunder and vested with all the powers, discretion, 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 either the City or the successor Agent, anything herein to the contrary notwithstanding, provided only that such successor Agent shall be satisfactory to the City and eligible under the provisions of Section 5(d)(iv) hereof.

SECTION 6. The Bonds shall be in substantially the following form, with such appropriate variations, omissions and insertions as are permitted or required by the Bond Resolution:

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[BOND FORM]

UNITED STATES OF AMERICA

STATE OF MISSISSIPPI

CITY OF PASCAGOULA

TAXABLE TAX INCREMENT LIMITED OBLIGATION BOND

SERIES 2022

(LAFONT INN REDEVELOPMENT PROJECT)

NO. _____

\$ _____

Rate of Interest

Maturity

Date of Original Issue

_____, 2022

Registered Owner:

Principal Amount:

DOLLARS

The City of Pascagoula, State of Mississippi (the "City"), a body politic existing under the Constitution and laws of the State of Mississippi (the "State"), acknowledges itself to owe and for value received, promises to pay in lawful money of the United States of America to the Registered Owner identified above, upon the presentation and surrender of this Bond, at the principal office of _____, _____, _____, or its successor, as paying agent (the "Paying Agent") for the Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project) (the "Bonds"), on the maturity date identified above, the principal amount identified above. Payment of the principal amount of this Bond shall be made to the Registered Owner hereof who shall appear in the registration records of the City maintained by _____, _____, _____, or its successor, as transfer agent for the Bonds (the "Transfer Agent"), as of the 15th day of the calendar month preceding the maturity date hereof.

Capitalized terms not defined herein will be defined as set forth in the Bond Resolution, as hereinafter defined.

The City further promises to pay interest on such principal amount from the date of this Bond or from the most recent Interest Payment Date to which interest has been paid at the rate of interest per annum set forth above, on _____ and _____ of each year (the "Interest Payment Date"), commencing _____, 2022, until said principal sum is paid, to the Registered Owner hereof who shall appear in the registration records of the City maintained by the Transfer Agent as of the 15th day of the calendar month preceding the applicable Interest Payment Date.

Payments of principal of and interest on this Bond shall be made by check or draft mailed on each Interest Payment Date to such Registered Owner at his address as it appears on such registration records. The Registered Owner hereof may change such address by written notice to the Transfer Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Transfer Agent, such notice to be received by the Transfer Agent not later than the 15th day of the calendar month preceding the applicable principal or Interest Payment Date.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to denomination, number, rate of interest and date of maturity, issued in the aggregate authorized principal amount of _____ Dollars (\$_____) to raise money for the purpose of paying the cost of constructing the Infrastructure Improvements (as hereinafter defined), funding the Reserve Fund (as hereinafter defined), and paying costs of issuance for the Bonds.

This Bond is issued under the authority of the Constitution and statutes of the State, including Sections 21-45-1 through 21-45-21, Mississippi Code of 1972, as amended and/or supplemented from time to time (the "Act"), and by the further authority of proceedings duly had by the Governing Body of the City, including a bond resolution adopted on _____, 2022 (the "Bond Resolution").

The Bonds are subject to mandatory redemption on any Interest Payment Date, in inverse order of maturity, from funds transferred to the 2022 Bond Fund from the 2022 Construction Fund representing excess funds not utilized for the Infrastructure Improvements remaining in the 2022 Construction Fund; provided, however, if the moneys transferred from the 2022 Construction Fund to the 2022 Bond Fund total less than \$5,000, such moneys shall be used on the following Interest Payment Date for the Bonds to pay interest or principal and interest due on the Bonds.

The Bonds are subject to optional redemption prior to their stated dates of maturity, at par, plus accrued interest to the date of redemption, either in whole or in part, in inverse order of maturity and by lot within a maturity on any Interest Payment Date.

[INSERT MANDATORY SINKING FUND REDEMPTION PROVISIONS IF APPLICABLE, AS DESCRIBED IN THE BOND PURCHASE AGREEMENT.]

Notice of redemption identifying the numbers of Bonds or portions thereof to be redeemed shall be given to the Registered Owners thereof by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption; provided, however, such notice of redemption can be waived by the Registered Owners of the Bonds. Failure to mail or receive any such notice, or any defect therein or in the mailing thereof, shall not affect the validity of any proceedings for the redemption of Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been given, irrespective of whether received. If such written notice of redemption is made and if due provision for payment of the redemption price is made, all as provided above, the Bonds which are to be redeemed thereby automatically shall be deemed to have been redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the owner to receive the redemption price out of the funds provided for such payment. If at the time of mailing of any notice of redemption, there shall not be on deposit with the Paying Agent sufficient moneys to redeem all of the Bonds called for

redemption, such notice shall state that it is subject to the deposit of moneys with the Paying Agent not later than on the redemption date and shall be of no effect unless such moneys are deposited.

The Bonds are registered as to both principal and interest. The Bonds are to be issued or reissued in the denomination of \$100,000 or any integral multiple of \$1000 in excess thereof up to the amount of a single maturity.

This Bond may be transferred or exchanged by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Transfer Agent, but only in the manner, subject to the limitations in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer or exchange, a new Bond or Bonds of like aggregate principal amount in authorized denominations of the same maturity will be issued.

The City and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds are and will continue to be payable as to principal and interest out of and secured by the Tax Increment, as hereinafter defined. **THE BONDS WILL CONSTITUTE LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE TAX INCREMENT, AS HEREINAFTER DEFINED, AND FROM OTHER MONIES PLEDGED THEREFOR. NEITHER THE FAITH, CREDIT, OR TAXING POWER OF THE CITY NOR THE FAITH, CREDIT, OR TAXING POWER OF THE STATE OF MISSISSIPPI OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS.**

The City has established a Reserve Fund (as hereinafter defined) to further secure the Bonds in the amount of the Reserve Requirement (as hereinafter defined).

"Ad Valorem Tax Surplus" shall mean the remainder of the additional ad valorem tax receipts derived from taxation of the Captured Assessed Value after deducting the amount necessary to pay annual debt service on the Bonds together with the fees and expenses of the Paying Agent that, subject to replenishing the Reserve Requirement described in Section 13 of the Bond Resolution, can be withheld by the City and used for any lawful purpose as authorized by Section 21-45-21 of the Act.

"Captured Assessed Value" shall mean the incremental increase in assessed value of the real and personal property within the TIF District when the Original Assessed Value is subtracted from the Current Assessed Value as of January 1, 2022 and each January 1 thereafter, all as set forth in the annual Assessment Certificate of each of the Jackson County Tax Assessor and/or the Clerk of the City.

"Current Assessed Value" shall mean the estimated assessed value of the Redevelopment Project and all improvement thereon that constitute real property and personal property as determined by the Jackson County Tax Assessor as of January 1, 2022, and on each January 1 thereafter, said determination being made pursuant to information made available to the Jackson County Tax Assessor by the owner of the Redevelopment Project and the TIF District.

"Developer's Project" shall mean the construction of a mixed-use development with a hotel, retail shops, restaurants and related uses located on approximately 10 acres at the corner of Hospital Road and Highway 90 within the TIF District and the City and as more particularly detailed in the Tax Increment Financing Plan.

"Infrastructure Improvements" shall mean and include, but not necessarily be limited to, various infrastructure improvements in connection with the Developer's Project, including but not limited to, installation and/or relocation of utilities such as water, sanitary sewer, construction, renovation, or rehabilitation of drainage improvements, roadways, curbs, gutters, sidewalks, site improvements including earth work and excavation, surface parking, public signage, electrical improvements, landscaping of rights-of-way, related architectural/engineering fees, attorney's fees, Tax Increment Financing Plan preparation fees, issuance costs, capitalized interest, and other related soft costs identified in the Tax Increment Financing Plan.

"Original Assessed Value" shall mean the assessed value of the real property, including personal property located thereon, located within the TIF District as of July 31, 2011, as certified by the Jackson County Tax Assessor and/or the Clerk of the City and as defined in Section 21-45-21 of the Act.

"Redevelopment Project" shall mean together the Developer's Project and the Infrastructure Improvements.

"Reserve Fund" shall mean the City of Pascagoula, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project) Reserve Fund for the Bonds into which the City will deposit the Reserve Requirement.

"Reserve Requirement" shall mean \$77,000 or, with the written approval of the Purchaser, the lesser of the following: (1) ten percent (10%) of the stated principal amount of the Bonds, (2) the maximum annual principal and interest requirement for the Bonds, or (3) one hundred twenty-five percent (125%) of the average annual principal and interest payments on the Bonds.

"Sales Tax Diversion" shall mean fifty percent (50%) of the increase in sales tax rebates collected by the City from the Redevelopment Project over the sales tax rebates collected in the twelve (12) month period ending on July 31, 2011, which was \$0.00.

"Sales Tax Diversion Surplus" shall mean the remainder of the Sales Tax Diversion after deducting the amount necessary to pay annual debt service due on the Bonds that can be withheld by the City and used for any lawful purpose as authorized by Section 21-45-21 of the Act.

"Tax Increment" shall mean (i) the Sales Tax Diversion of the City; and (ii) the added increments of one hundred percent (100%) of the City's ad valorem tax revenue which results from the taxation of the Captured Assessed Value of the real property and personal property contained within the TIF District and forming a part of the Redevelopment Project, excluding school district taxes, which shall be necessary and sufficient to pay the principal of and interest on the Bonds together with the annual fees and expenses of the Paying Agent and to satisfy the Reserve Requirement as described in Section 13 of the Bond Resolution, if necessary.

"Tax Increment Financing Plan" shall mean the Tax Increment Financing Plan, La Font Inn Redevelopment Project, City of Pascagoula, Mississippi, August 2011 approved on August 2, 2011, and as may be amended from time to time.

"Tax Increment Surplus" shall mean together the Ad Valorem Tax Surplus and the Sales Tax Diversion Surplus.

"TIF District" shall mean the real property, including personal property located thereon, located within the City as more fully described and identified in the Tax Increment Financing Plan as the "TIF District" and includes the following tax parcel numbers: 41702984.110, 41742001.000, 41742002.000, 41742003.000, 41742004.000, and 41742005.000.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Bond Resolution until the certificate of registration and authentication hereon shall have been signed by the Transfer Agent.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all conditions, acts and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds, in order to make the same legal and binding limited obligations of the City, according to the terms thereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Clerk of the City, under the manual or facsimile seal of the City, which said manual or facsimile signatures and seal said officials adopt as and for their own proper signatures and seal, as of the ____ day of _____, 20__.

CITY OF PASCAGOULA, MISSISSIPPI

Mayor

COUNTERSIGNED:

City Clerk

(SEAL)

There shall be printed in the lower left portion of the face of the Bonds, or attached thereto, a registration and authentication certificate in substantially the following form:

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Resolution and is one of the \$_____ City of Pascagoula, Mississippi Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project).

_____ as
Transfer Agent

BY: _____
Authorized Officer

Date of Registration and Authentication: _____

There shall be printed on the reverse of the Bonds, or attached thereto, a registration and validation certificate and an assignment form in substantially the following form:

REGISTRATION AND VALIDATION CERTIFICATE

STATE OF MISSISSIPPI

COUNTY OF JACKSON

CITY OF PASCAGOULA

I, _____, the undersigned City Clerk of the City of Pascagoula, Mississippi, do hereby certify that the within Bond has been duly registered by me as an obligation of said City pursuant to law in a record kept in my office for that purpose, and has been validated and confirmed by Decree of the Chancery Court of Jackson County, Mississippi, rendered on the ___ day of _____, 2022.

City Clerk

(SEAL)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____,
_____, Mississippi, as Transfer Agent to transfer the said Bond on the records kept for
registration thereof with full power of substitution in the premises.

NOTICE: The signature to this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without any alteration whatever.

Signatures guaranteed:

NOTICE: Signature(s) must be guaranteed by an approved eligible guarantor institution, an institution that is a participant in a Securities Transfer Association recognized signature guarantee program.

(Authorized Officer)

Date of Assignment: _____

Insert Social Security Number or Other

Tax Identification Number of Assignee: _____

[END OF BOND FORM]

SECTION 7. In case any Bond shall become mutilated or be stolen, destroyed or lost, the City shall, if not then prohibited by law, cause to be authenticated and delivered a new Bond of like date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond stolen, destroyed or lost, upon the Registered Owner's paying the reasonable expenses and charges of the City in connection therewith, and in case of a Bond stolen, destroyed or lost, his filing with the City or Transfer Agent evidence satisfactory to them that such Bond was stolen, destroyed or lost, and of his ownership thereof, and furnishing the City or Transfer Agent with such security or indemnity as may be required by law or by them to save each of them harmless from all risks, however remote.

SECTION 8. For the purpose of effectuating and providing for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue, there shall be and is hereby pledged the Tax Increment in such amounts as shall provide for the principal and interest on the Bonds as the same respectfully matures and accrues. All or any portion of the receipts from the collection of said Tax Increment shall be withheld by the tax collector of the City, and/or by any other tax collecting agency authorized by law for the collection of the Sales Tax Diversion portion of the Tax Increment, who shall pay over such Tax Increment to the Clerk to the credit of the 2022 Bond Fund created pursuant to Section 12 hereof in such amount as necessary to provide for the principal and interest on the Bonds, plus any Paying Agent fees, and to the credit of the Reserve Fund such amount as is required by Section 13 to replenish the Reserve Requirement. Any such moneys so paid to the Clerk to the credit of the 2022 Bond Fund shall be expended only as provided in Section 12 hereof. The Tax Increment Surplus, if any, shall be transferred to the City for deposit to the City's general fund and used for any purpose authorized by law, including the Act.

The Clerk shall annually complete the Assessment Certificate and determine the Tax Increment for the City. In the event that the Clerk determines there is a Tax Increment Surplus, then the City said surplus may be retained by the City for deposit into the general fund and used for any purpose authorized by law including the Act

SECTION 9. Only such of the Bonds as shall have endorsed thereon a certificate of registration and authentication in substantially the form hereinabove set forth, duly executed by the Transfer Agent, shall be entitled to the rights, benefits and security of the Bond Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of registration and authentication shall have been duly executed by the Transfer Agent, which executed certificate shall be conclusive evidence of registration, authentication and delivery under the Bond Resolution. The Transfer Agent's certificate of registration and authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Transfer Agent, but it shall not be necessary that the same officer sign said certificate on all of the Bonds that may be issued hereunder at any one time.

SECTION 10. In the event the Purchaser shall fail to designate the names, addresses and social security or tax identification numbers of the Registered Owners of the Bonds within thirty (30) days of the date of sale, or at such other later date as may be designated by the City, one Bond registered in the name of the Purchaser may be issued in the full amount for each maturity. Ownership of the Bonds shall be in the Purchaser until the initial Registered Owner has made timely payment and,

upon request of the Purchaser within a reasonable time of the initial delivery of the Bonds, the Transfer Agent shall re-register any such Bond upon its records in the name of the Registered Owner to be designated by the Purchaser in the event timely payment has not been made by the initial Registered Owner.

(a) Except as hereinabove provided, the Person in whose name any Bond shall be registered in the records of the City maintained by the Transfer Agent may be deemed the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on any Bond shall be made only to or upon the order of the Registered Owner thereof, or his legal representative, but such registration may be changed as hereinafter provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

SECTION 11. Each Bond shall be transferable only in the records of the City, upon surrender thereof at the office of the Transfer Agent, together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the transfer of any Bond, the City, acting through its Transfer Agent, shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond or Bonds.

(a) In all cases in which the privilege of transferring Bonds is exercised, the Transfer Agent shall authenticate and deliver Bonds in accordance with the provisions of the Bond Resolution.

SECTION 12. The City hereby establishes the 2022 Bond Fund which shall be maintained with a qualified depository in its name for the payment of the principal of and interest on the Bonds and the payment of Agents' fees in connection therewith. There shall be deposited into the 2022 Bond Fund as and when received:

- (i) The accrued interest and premium, if any, received upon delivery of the Bonds;
- (ii) Capitalized interest, if any, from the proceeds of the Bonds;
- (iii) The avails of any of the Tax Increment collected pursuant to Section 8 hereof subject to the limitation as described in sub-section (b) below;
- (iv) Funds, if any, transferred from the Reserve Fund pursuant to sub-section (b) below;
- (v) Any income received from investment of monies in the 2022 Bond Fund; and
- (vi) Any other funds available to the City which may be lawfully used for payment of the principal of and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the 2022 Bond Fund.

(b) The Clerk shall deposit all moneys required by this Section 12, including the Tax Increment, into the 2022 Bond Fund, but shall not deposit the proceeds of the Bonds to be deposited in the 2022 Construction Fund and the Reserve Fund and the Tax Increment Surplus into the 2022

Bond Fund. The City shall deposit in the 2022 Bond Fund an amount equal to the amount necessary to make each principal and interest payment together with the annual fees and expenses of the Paying Agent less amounts, if any, available to pay debt service from transfers into the 2022 Bond Fund pursuant to Section 14. The source of such funds shall be limited to the Tax Increment and the Reserve Fund, if any.

(c) As long as any principal of and interest on the Bonds remains outstanding, the Clerk is hereby irrevocably authorized and directed to withdraw from the 2022 Bond Fund sufficient monies to make the payments herein provided for and to transfer the same to the account of the Paying Agent in time to reach said Paying Agent at least five (5) days prior to the date on which said interest or principal and interest shall become due.

SECTION 13. The City hereby establishes the Reserve Fund which shall be maintained with the Paying Agent. The City shall deposit the Reserve Requirement into the Reserve Fund from the proceeds of the Bonds on the Closing Date. On or before five (5) days prior to each Interest Payment Date, the Paying Agent shall transfer monies from the Reserve Fund to the 2022 Bond Fund to the extent there are insufficient funds deposited therein to make the debt service payment for the Bonds on the next Interest Payment Date. Any amounts on deposit in the Reserve Fund in excess of the Reserve Requirement shall, on the fifteenth day of the month next preceding an Interest Payment Date be deposited in the 2022 Bond Fund on a *pari passu* basis. The Reserve Fund shall be used by the City to pay the final principal and interest payment of the Bonds to the extent there are funds therein.

In the event of a draw on the Reserve Fund in order to pay any deficiency in Tax Increment available to pay principal and interest on the Bonds, the Reserve Requirement is required to be replenished first by the Developer as set forth in the Guaranty Agreement. Notwithstanding the foregoing, at any time that the amounts on deposit in the Reserve Fund are less than the Reserve Requirement and the Developer has failed to replenish the Reserve Requirement as set forth in the Guaranty Agreement, the City, after receiving written notice from the Paying Agent, shall deposit funds into the Reserve Fund from the Tax Increment Surplus subsequently received until the Reserve Requirement is met.

SECTION 14. (a) The City hereby establishes the 2022 Construction Fund which shall be held by the City and maintained with a qualified depository. The principal proceeds received upon the sale of the Bonds, excluding funds deposited in the Reserve Fund, shall be deposited in the 2022 Construction Fund including costs of issuance funds. Any income received from investment of monies in the 2022 Construction Fund shall be deposited in the 2022 Construction Fund or to the 2022 Bond Fund to pay interest on the Bonds during the construction period for the Infrastructure Improvements. Moneys in the 2022 Construction Fund shall be (i) first set aside to pay an amount sufficient to pay the City's outstanding obligations incurred in connection with the Infrastructure Improvements, if any, including costs of issuance of the Bonds; (ii) then, in the City's sole discretion, established a reserve fund to pay the first annual payment of principal and interest on the Bonds which would be due and payable before the first incremental increase in taxes are received; and (iii) then proceeds shall be used to reimburse the Developer for part of its costs in acquiring and constructing the Infrastructure Improvements up to the amount authorized and pursuant to the Development Agreement, which the City hereby reaffirms. Any amounts which remain in the 2022 Construction Fund in the amount of

\$5,000 or integral multiples thereof after the completion of the Infrastructure Improvements shall be transferred to the 2022 Bond Fund and used for the mandatory redemption of Bonds as set forth herein and any amount which remains on deposit in the 2022 Construction Fund which is less than \$5,000 shall be deposited to the 2022 Bond Fund and used as permitted under State law.

(b) The Mayor and Clerk are hereby authorized and directed to sign requisitions and perform such other acts as may be necessary to pay or cause the payment on the Closing Date of the costs of issuance of the Bonds from the 2022 Construction Fund without additional approval of the Governing Body.

SECTION 15. Payment of principal on the Bonds shall be made, upon presentation and surrender of the Bonds at the principal office of the Paying Agent, to the Record Date Registered Owner thereof who shall appear in the registration records of the City maintained by the Transfer Agent as of the Record Date.

(a) Payment of each installment of interest on the Bonds shall be made to the Record Date Registered Owner thereof whose name shall appear in the registration records of the City maintained by the Transfer Agent as of the Record Date. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Bond subsequent to the Record Date and prior to the due date of the interest.

(b) Principal of and interest on the Bonds shall be paid by check or draft mailed on the Interest Payment Date to Registered Owners at the addresses appearing in the registration records of the Transfer Agent. Any such address may be changed by written notice from the Registered Owner to the Transfer Agent by certified mail, return receipt requested, or such other method as may be acceptable to the Transfer Agent, such notice to be received by the Transfer Agent not later than the Record Date preceding the applicable principal or Interest Payment Date to be effective as of such date.

SECTION 16. The Bonds shall be submitted to validation as provided by Chapter 13, Title 31, Mississippi Code of 1972, and to that end the Clerk is hereby directed to make up a transcript of all legal papers and proceedings relating to the Bonds and to certify and forward the same to the State's Bond Attorney for the institution of validation proceedings.

SECTION 17. Based on existing statutes, rulings and court decisions and assuming, among other matters, compliance with certain covenants, the interest on the Bonds is not exempt from federal income taxation. Under existing law, interest on the Bonds is exempt from present taxes imposed by the State of Mississippi and any City, municipality or other political subdivision of the State of Mississippi.

SECTION 18. Each of the following constitutes an event of default under the Bond Resolution:

(a) failure by the City to pay any installment of principal of or interest on any Bond at the time required;

(b) failure by the City to perform or observe any other covenant, agreement or condition on its part contained in the Bond Resolution or in the Bonds, and the continuance thereof for a period of thirty (30) days after written notice thereof to the City by the Registered Owners of not less than ten percent (10%) in principal amount of the then outstanding Bonds; or

(c) an Act of Bankruptcy occurs.

SECTION 19. The Governing Body will not provide for the issuance of additional series of tax increment financing bonds ("Additional Bonds") payable from the Tax Increment unless (A) the Tax Increment for the preceding year prior to the issuance of the Additional Bonds was sufficient to provide (i) at least 1.20 to 1 debt service coverage of the combined debt service of such Additional Bonds and the Bonds, (ii) funds for the annual fees and expense of the paying agent for such Additional Bonds and the Paying Agent for the Bonds, and (iii) the Reserve Fund is funded at the Reserve Requirement; and (B) it receives the written consent of the Registered Owner.

SECTION 20. (a) The Mayor, acting for and on behalf of the City, upon the recommendation of the Municipal Advisor, is hereby authorized and directed to negotiate with the Purchaser for the sale of the Bonds to the Purchaser and to make the final decisions, subject to the provisions of this Bond Resolution, regarding (i) the aggregate principal amount of the Bonds not to exceed \$696,770, (ii) the redemption provisions of the Bonds, (iii) the interest rates to be borne by the Bonds, (iv) the maturity date of the Bonds not to exceed fifteen years from the Closing Date, (v) the principal and interest payment dates for the Bonds, and (vi) to make all final determinations necessary to structure the Bonds. The Mayor, City Manager, and the Clerk, upon the recommendation of the Municipal Advisor, are hereby authorized and directed to execute and deliver the Commitment Letter, the form of which is attached hereto as **EXHIBIT B** and the terms of which are hereby accepted and approved, for and on behalf of and in the name of the City, with such changes, omissions, insertions and revisions, as may be approved by the Mayor, City Manager, and the Clerk, said execution being conclusive evidence of such approval.

(b) The form of the Bond Purchase Agreement attached hereto as **EXHIBIT C** as submitted to this meeting and made a part of this Resolution as though set forth in full herein shall be, and the same hereby is, approved in substantially said form. The Mayor, the City Manager, the Clerk and any Authorized Officer are hereby authorized and directed to execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by such officer, said execution being conclusive evidence of such approval.

(c) The form of the Guaranty Agreement attached hereto as **EXHIBIT D** as submitted to this meeting and made a part of this Resolution as though set forth in full herein shall be, and the same hereby is, approved in substantially said form. The Mayor, the City Manager, the Clerk and any Authorized Officer are hereby authorized and directed to execute and deliver the Guaranty Agreement with such changes, insertions and omissions as may be approved by such officer, said execution being conclusive evidence of such approval

(d) The principal amount of the Bond is issued in denominations of \$100,000 or more and is being sold to a single purchaser who will have knowledge and experience in financial and business

matters making it capable of evaluating the merits and risks of the prospective investment. The Bond shall be sold to a purchaser without a view for distributing said Bond. The Purchaser shall be required to execute a certification at closing to the effect that the Bond is being purchased for the account of the Purchaser without the intent to distribute. Based on the foregoing, the Bond will be exempt from the continuing disclosure requirements of SEC Rule 15c2-12.

SECTION 21. The Mayor, the City Manager, the Clerk and any other Authorized Officers of the Governing Body are authorized to execute and deliver such resolutions, certificates and other documents as are required for the sale, issuance and delivery of the Bonds.

SECTION 22. The Mayor, the City Manager, the Clerk and any Authorized Officer are further authorized and directed to execute and deliver any additional documents, agreements, instruments, requisitions and certificates that are required in connection with the sale and issuance of the Bonds. If the date of the issuance and delivery of the Bonds, and/or the execution and delivery of any of the documents attached hereto and adopted hereby occurs after October 30, 2022, then the Mayor is hereby fully authorized to approve all applicable and necessary changes to the documents attached hereto or otherwise and related to such change to provide for the dating of documents, including principal and interest payment dates, redemption dates and such other dates Bond Counsel deems necessary for the appropriate month and year (including the Series 2022 Bonds) to be reflected on the Bonds and related documents, the execution of said documents being conclusive evidence of such approval, and no further action shall be required of the Governing Body to approve such date changes. Notwithstanding any other provision herein or in any attachments hereto, the Governing Body further authorizes any necessary changes to the name and/or title and/or series and sub-series designation of the Bonds and corresponding changes to any of the related documents attached hereto if it is determined, after consultation with the Municipal Advisor, that it is in the best economic interest of the City for the Bonds to be issued in one or more tax-exempt series or sub-series within a series, as municipal bond market conditions may dictate.

SECTION 23. The Governing Body shall, as soon as practicable following the Closing Date, cause a true and correct copy of the Bond or Bonds, as executed and issued, to be spread upon its official minutes and provide the Purchaser a copy of said minutes, certified by the Clerk.

SECTION 24. All orders, resolutions or proceedings of the Governing Body in conflict with any provision hereof shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict. For cause, this Bond Resolution shall become effective upon the adoption hereof.

Councilperson _____ seconded the motion to adopt the foregoing resolution and the same being put to a roll call vote, the result was as follows:

YEAS:

NAYS:

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted this, the ____ day of _____ 2022.

Dr. Jay Willis, Mayor

ATTEST

Karen Kennedy, City Clerk

(SEAL)

EXHIBIT A
TO THE BOND RESOLUTION

ASSESSMENT CERTIFICATE OF CLERK OF THE
CITY OF PASCAGOULA, MISSISSIPPI
AS OF AUGUST 1, 20__

Pursuant to and as required by Section 21-45-21, Mississippi Code of 1972, as amended and/or supplemented from time to time, I, _____, the undersigned City Clerk of the City of Pascagoula, Mississippi (the "City"), with respect to the real property, including personal property located thereon, located within the tax increment financing district established by the City's *Tax Increment Financing Plan, La Font Inn Redevelopment Project, City of Pascagoula, Mississippi, August 2011*, adopted on August 2, 2011 (the "TIF District Property"), and as may be amended from time to time (the "TIF Plan"), do hereby certify as follows:

1. With respect to the tax increment available from ad valorem taxes, the estimates set forth herein represent the estimates of the Jackson County Tax Assessor as set forth in the Assessment Certificate of the Jackson County Tax Assessor (the "County Tax Assessor's Certificate") attached hereto as **EXHIBIT A**. With respect to the tax increment available from sales taxes, the estimates set forth herein represent the estimates of the Mississippi Department of Revenue as set forth in the Certificate of the Mississippi Department of Revenue (the "Sales Tax Certificate") attached hereto at **EXHIBIT B**.

2. The "Original Assessed Value" of the TIF District Property, as described in the TIF Plan as of January 1, 2011 (for taxes due by February 1, 2012), was \$157,426 (consisting of \$157,426 real property and \$0.00 personal property).

3. The "Current Assessed Value" of the TIF District Property, as described in the TIF Plan, as of the January 1, 20__ (for taxes due by February 1, 20__), is estimated to be \$_____ (consisting of \$_____ real property and \$_____ personal property).

4. The "Captured Assessed Value" of the TIF District Property, as described in the TIF Plan, as of January 1, 20__ (for taxes due by February 1, 20__), is \$_____ (consisting of \$_____ real property and \$_____ personal property).

5. On August 1, 20__, the estimated incremental increase in ad valorem taxes resulting from City ad valorem taxation on real and personal property within the TIF District when applied to the Captured Assessed Value is \$_____ based on the current City millage rate of _____ mills (the "City Tax Increment").

6. The amount of sales tax collected by the State within the boundaries of the TIF District and diverted to the City for the twelve (12) month period beginning on August 1, 2010 and ending on July 31, 2011, inclusive, was \$0.00.

7. The amount of sales tax collected by the State within the boundaries of the TIF District and diverted to the City for the twelve (12) month period beginning on August 1, 20__ and ending on July 31, 20__, inclusive, was \$_____. The total increase in sales taxes increment that is estimated to be available, if necessary, to pay principal and interest on the Bonds as of July 31, 20__, is \$_____ (the "Sales Tax Increment").

9. In summary, the total increase in City Tax Increment together with the Sales Tax Increment, as described in the Sales Tax Certificate, that is estimated to be available, if necessary, to pay principal and interest on the Bonds for tax year 20__, is \$_____ (Tax Increment + Sales Tax Increment).

For purposes of this certificate, "Original Assessed Value," "Current Assessed Value," and "Captured Assessed Value" shall have the meaning as defined in Section 21-45-21, Mississippi Code of 1972, as amended and/or supplemented from time to time.

IN WITNESS WHEREOF, I have hereto set my hand and have caused the seal of Pascagoula, Mississippi, to be affixed hereto on this the ____ day of August, 20__.

_____CITY

CLERK

PASCAGOULA, MISSISSIPPI

[SEAL]

EXHIBIT A

ASSESSMENT CERTIFICATE OF JACKSON COUNTY TAX ASSESSOR

ASSESSMENT CERTIFICATE OF THE JACKSON COUNTY TAX ASSESSOR

I, _____, Tax Assessor of Jackson County, Mississippi (the "County"), with respect to the real property located within the tax increment finance district (the "TIF District Property"), described in **SCHEDULE I** hereto, established by the *Tax Increment Financing Plan, La Font Inn Redevelopment Project, City of Pascagoula, Mississippi, August 2011*, adopted by the City of Pascagoula, Mississippi (the "City"), on August 2, 2012, as may be amended from time to time (the "TIF Plan") and in connection with the City's Not to Exceed \$696,770 Taxable Tax Increment Limited Obligation Bonds, Series 2022 (LaFont Inn Redevelopment Project), to be dated the date of delivery thereof (the "Bonds"), do hereby certify as follows:

11. The "Original Assessed Value", as such term is defined under Sections 21-45-1 *et seq.*, Mississippi Code of 1972, as amended and/or supplemented from time to time (the "Act"), and particularly Section 21-45-21 of the Act, of the TIF District Property and the improvements, including personal property thereon, if any, as of the January 1, 2011 tax lien date (for taxes due by February 1, 2012) was **\$157,426** (consisting of **\$157,426** real property and **\$0.00** personal property).

12. The "Current Assessed Value", as such term is defined under Section 21-45-21 of the Act, of the TIF District Property and the Project as of the January 1, 20__ tax lien date (for taxes due by February 1, 20__) is estimated to be \$_____ (consisting of \$_____ real property and \$_____ personal property).

13. The "Captured Assessed Value", as such term is defined under Section 21-45-21 of the Act, of the TIF District Property and the Project as of the January 1, 20__ tax lien date (for taxes due by February 1, 20__) is estimated to be \$_____ (consisting of \$_____ real property and \$_____ personal property).

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the seal of Jackson County, Mississippi to be affixed hereto as of this the _____ day of _____, 20__.

TAX ASSESSOR

JACKSON COUNTY, MISSISSIPPI

SCHEDULE I

**TIF DISTRICT AS ESTABLISHED BY THE TAX INCREMENT FINANCING PLAN AND LIST OF ASSESSED
VALUES BY PARCEL NUMBER**

LEGAL DESCRIPTION OF TIF DISTRICT

LIST OF ASSESSED VALUES BY PARCEL NUMBERS

<p align="center">PASCAGOULA, JACKSON COUNTY, MISSISSIPPI</p> <p align="center">LA FONT INN REDEVELOPMENT PROJECT</p> <p align="center">TIF DISTRICT - REAL PROPERTY</p> <p align="center">(As of January 1, 20__)</p>			
	Parcel Number	Name of Taxpayer	Real Property Assessment
	41702984.110	Hardee's	
	41742001.000	Lafont Inn LLC	
	41742002.000	KJK Investments LLC	
	41742003.000	WWT Enterprises	
	41742004.000	WWT Enterprises	
	41742005.000	WWT Enterprises	
			TOTAL

EXHIBIT B
CERTIFICATE OF MISSISSIPPI DEPARTMENT OF REVENUE
[TO BE PROVIDED BY DOR]

[PAGE LEFT BLANK INTENTIONALLY]

EXHIBIT B
TO THE BOND RESOLUTION
COMMITMENT TO PURCHASE

EXHIBIT C
TO THE BOND RESOLUTION
BOND PURCHASE AGREEMENT

BOND PURCHASE AGREEMENT (PRIVATE PLACEMENT)

\$ _____

CITY OF PASCAGOULA, MISSISSIPPI

TAXABLE TAX INCREMENT LIMITED OBLIGATION BONDS, SERIES 2022

(LA FONT INN REDEVELOPMENT PROJECT)

Date: _____, 20__

Mayor and City Council

City of Pascagoula, Mississippi

Hancock Whitney Bank, with its principal offices located in Gulfport, Mississippi (the “Purchaser”), offers to enter into this Bond Purchase Agreement (Private Placement) (this “Agreement”) with the City of Pascagoula, Mississippi (the “City”) pursuant to the Purchaser’s Commitment Letter dated _____, 2022, attached as **Attachment A**, which Agreement, upon the City’s acceptance, will be binding upon the City and the Purchaser. This offer is made subject to acceptance by the City at or prior to the end of the day Central Standard Time on the date hereof and, if not so accepted, will be subject to withdrawal by the Purchaser upon written notice delivered to the City by the Purchaser at any time prior to acceptance by the City.

1. BACKGROUND

(a) The City will issue and sell its \$ _____ principal amount of Taxable Tax Increment Limited Obligation Bonds, Series 2022 (La Font Inn Redevelopment Project Project), dated as of _____, 20__ (the “Bonds”). The Bonds are being issued to provide funds for certain site and improvements relating to La Font Inn Redevelopment Project, including but not limited to, various infrastructure improvements in connection with the Developer’s Project, including but not limited to, installation and/or relocation of utilities such as water, sanitary sewer, construction, renovation, or rehabilitation of drainage improvements, roadways, curbs, gutters, sidewalks, site improvements including earth work and excavation, surface parking public signage, electrical improvements, landscaping of rights-of-way, related architectural/engineering fees, attorney’s fees, Tax Increment Financing Plan preparation fees, issuance costs, capitalized interest, and other related soft costs identified in the Tax Increment Financing Plan; TIF plan preparation fees and other incidental related costs; and related professional fees. The project will be located on approximately 10 acres in the City of Pascagoula, Jackson County, Mississippi.

(b) The Bonds will be issued under the authority of the Constitution and statutes of the State of Mississippi (the “State”), including Sections 21-45-1 et seq., Mississippi Code of 1972, as amended and/or supplemented from time to time (the “Act”), and by authority of proceedings duly had by the Mayor and City Council (the “Governing Body”) of the City, including the bond resolution adopted by the City on _____, 20__ (together the “Bond Resolution”). The Bonds are payable

from a sufficient amount of the Tax Increment (as defined in the Bond Resolution). A sufficient amount of the Tax Increment has been pledged to pay the principal of, premium, if any, and interest on the Bonds and to make the payments into the 2022 Bond Fund provided for in the Bond Resolution (as such terms are defined in the Bond Resolution).

(c) The Bonds will contain the terms and provisions described in the Bond Resolution and will bear interest at the rates and mature on the dates all as more fully described in Paragraph 4(c) of this Agreement.

(d) The Bonds will not have CUSIPS and will be registered in the name of _____, _____, Mississippi.

(e) No official statement or private placement memorandum will be provided in connection with the sale and issuance of the Bonds.

2. REPRESENTATIONS OF THE CITY

The City makes the following representations, all of which will survive the purchase and offering of the Bonds:

(b) The City is a political subdivision of the State, duly organized and existing under the laws of the State.

(c) The City is authorized by the provisions of the Act and the Bond Resolution to issue the Bonds secured as set forth in the Bond Resolution.

(d) The City has complied with all provisions of the Constitution and the laws of the State pertaining to the issuance and sale of the Bonds, including the Act, and has full power and authority to authorize and thereafter consummate all transactions contemplated by this Agreement and the Bonds.

(e) The City has duly adopted the necessary resolutions and has duly authorized the execution of this Agreement and the issuance and sale of the Bonds, and has taken all actions and obtained all approvals necessary and appropriate to carry out the same except as set forth in Paragraph 9 of this Agreement.

(f) The City has duly authorized all necessary actions to be taken by the City for the issuance and sale of the Bonds upon the terms set forth herein and in the Bond Resolution, the execution, delivery, receipt and due performance of this Agreement and the Bonds, and any and all other agreements and documents as may be required to be executed, delivered and received by the City in order to consummate the transactions contemplated hereby, and the consummation of the transactions contemplated hereby.

(g) There is no action, suit, proceeding, inquiry, investigation at law or in equity or before or by any court, public board or body pending or, to the best of the City's knowledge, threatened against or affecting the City (or any basis therefor), wherein an unfavorable decision,

ruling or finding would adversely affect the transactions contemplated hereby or the validity of the Bonds, this Agreement or any agreement or instrument to which the City is or is expected to be a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby.

(h) The execution and delivery by the City of this Agreement, the Bonds, and other agreements contemplated hereby and compliance with the provisions thereof will not conflict with or constitute, on the part of the City, a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the City is subject or by which the City is or may be bound.

(i) Any certificate signed by any of the City's authorized officers and delivered to the Purchaser shall be deemed a representation and warranty by the City to the Purchaser as to the statements made therein.

(j) To the knowledge of the City, the City is not in default, and at no time has been in default, in the payment of principal of, premium, if any, interest on, or otherwise in default with respect to bonds, notes, or other obligations which it has issued, assumed or guaranteed.

3. COVENANTS OF THE CITY

The City agrees to the following covenants, all of which will survive the purchase and offering of the Bonds and any investigations made by or on behalf of the Purchaser:

(b) The City shall apply the proceeds of the Bonds in accordance with the Bond Resolution.

(c) The City shall not take or omit to take, as may be applicable, any action which would, in any way, cause the proceeds of the Bonds to be applied in a manner contrary to the requirements of the Bond Resolution.

(d) Whether or not the sale of the Bonds by the City to the Purchaser is consummated, the City agrees that the Purchaser shall have no obligation to pay any costs or expenses incident to the performance of the obligations of the City under this Agreement.

4. PURCHASE, SALE AND DELIVERY OF THE BONDS

(b) On the basis of the representations, warranties and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth, on the Closing Date the Purchaser agrees to purchase from the City and the City agrees to sell to the Purchaser all, but not less than all, of the Bonds for a purchase price of \$_____, representing the par amount thereof.

(c) The City will deliver the Bonds to or for the account of the Purchaser against payment of the purchase price therefor on or before _____, 20___, on a date to be mutually agreed upon by the City and the Purchaser, unless a later date is mutually agreed by the

City and the Purchaser (the “Closing Date”). The Bonds may be in printed, engraved, typewritten or photocopied form, and each such form shall constitute “definitive form.”

(d) Payments of principal and interest due on the Bonds shall be payable directly to the Purchaser as provided in the Bonds; shall be dated as of _____, 20__; shall be payable, both as to principal and interest, in lawful money of the United States of America at the office of the _____, _____, Mississippi, said person to act as paying agent, registrar and transfer agent for said Bonds; shall bear interest from the date thereof at the rates, payable annually in the years and principal amounts, and subject to optional redemption as set out in the **ATTACHMENT B**. A Debt Service Reserve Fund is required for the Bonds. The Reserve Requirement (defined in the in the Bond Resolution) is to be funded in the amount of [\$77,000] with the proceeds of the Bonds.

(e) In connection with the purchase, sale and delivery of the Bonds, the Purchaser represents and warrants to the City the following:

(1) The Bonds will be sold and purchased as set forth in Paragraph 4(a) hereof through a private sale;

(2) The Purchaser is not purchasing for more than one (1) account, and is purchasing the Bonds for its own account for the purpose of investment and not with a view towards distribution or resale;

(3) The Purchaser has knowledge and experience in financial and business matters and is capable of evaluating the risks and merits of purchasing the Bonds;

(4) The Purchaser has read and understands the Bond Documents (hereinafter described);

(5) The Purchaser has had an opportunity to obtain and has obtained from the City all of the information, documents and materials it regards as necessary to evaluate the merits and risks of its purchase of the Bonds;

(6) The Purchaser recognizes that Bond Counsel and counsel for the City are not responsible for any information contained in or omitted from materials regarding the City and that it does not look to Bond Counsel or counsel for the City to obtain such information on its behalf; and

(7) While the Purchaser has no present intention to resell or otherwise dispose of all or any part of the Bonds, the Purchaser assumes responsibility for disclosing all material information in compliance with all applicable federal and state securities laws in the event of its resale of the Bonds.

5. **BOND DOCUMENTS**

On or prior to the Closing Date, the Purchaser shall have received a copy, certified by the City Clerk of the City, of the transcript of proceedings of the Governing Body of the City in connection with the authorization, issuance, sale and validation of the Bonds and the supplemental transcript of proceedings, if applicable, regarding same. Such transcripts shall include the Bond Resolution and the form of this Agreement (collectively, the "Bond Documents").

6. CONDITIONS TO OBLIGATIONS OF THE PURCHASER

The obligation of the Purchaser to purchase and pay for the Bonds and the obligation of the City to sell the Bonds to the Purchaser shall be subject to the following conditions precedent:

(b) The City shall have performed all of its obligations hereunder and the statements made on behalf of the City hereunder shall be true and correct on the date hereof and on the Closing Date, as if made on the Closing Date, and the City shall deliver a certificate to such effect.

(c) Except as may have been agreed to by the Purchaser, as of the Closing Date, each of the Bond Documents and all other official actions of the City relating thereto shall be in full force and effect and shall not have been amended, modified or supplemented.

(d) The City shall have received the approving opinion of Butler Snow LLP, Gulfport, Mississippi, Bond Counsel, in form and substance acceptable to the Purchaser.

(e) The Purchaser shall have received the opinion of counsel to the City dated the Closing Date and addressed to the Purchaser, in form and substance acceptable to the Purchaser.

(f) Between the date of this Agreement and the Closing Date, no material adverse change shall have occurred, nor shall any development have occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects or properties of the City.

(g) On or prior to the Closing Date, all actions required to be taken as of the Closing Date in connection with the Bonds and the Bond Documents by the City shall have been taken, and the City shall have performed and complied with all agreements, covenants and conditions required to be performed or complied with by this Agreement, the Bonds and the Bond Documents, and the City shall deliver a certificate to such effect insofar as the foregoing actions, agreements, covenants and conditions apply, and each of such agreements shall be in full force and effect and shall not have been amended, modified or supplemented, except as has been agreed to in writing by the Purchaser.

(h) None of the events referred to in Paragraph 7, infra, of this Agreement shall have occurred.

(i) The Purchaser shall have received a certificate, dated the Closing Date and signed on behalf of the City, to the effect that:

(1) The City has not received notice of any pending, nor to the City's knowledge is there any threatened, action, suit, proceeding, inquiry or investigation against the City, at law or in equity, by or before any court, public board or body, nor to the City's knowledge is there any basis therefor, affecting the existence of the City or the titles of its officers to their respective offices, or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the pledge of the Tax Increment pledged or to be pledged to pay the principal of, premium, if any, and interest on the Bonds, or in any way materially adversely affecting or questioning (A) the existence and powers of the City, (B) the use of the proceeds of the Bonds, (C) the validity or enforceability of the Bonds, the Bond Resolution or any proceedings of the City taken with respect to the Bonds, (D) the execution and delivery of this Agreement or the Bonds or (E) the power of the City to carry out the transactions contemplated by this Agreement or the Bonds;

(2) The City has complied with all the covenants and satisfied all of the conditions on its part to be performed or satisfied at or prior to the Closing Date, and the representations and warranties of the City contained herein are true and correct as of the Closing Date.

(j) The Purchaser shall receive copies of such supplemental resolutions adopted by the City to meet the conditions of this Agreement.

(k) Such additional opinions and other documents as the Purchaser or Bond Counsel may reasonably request to evidence performance of or compliance with the provisions of this Agreement and the transactions contemplated hereby, all such Bonds and other documents to be satisfactory in form and substance to the Purchaser, shall have been received.

(l) If any conditions to the obligations of the Purchaser or the City contained in this Agreement are not satisfied and the satisfaction of such conditions shall not be waived by the Purchaser and the City, then, at the option of the Purchaser and the City, the Closing Date, (1) shall be postponed for such period as may be necessary for such conditions to be satisfied, or (2) without limiting the generality of Paragraph 12 of this Agreement, the obligations of the Purchaser and the City under this Agreement shall terminate, and neither the Purchaser nor the City shall have any further obligations or liabilities hereunder.

All of the legal opinions, Bonds, proceedings, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Purchaser and the City.

7. TERMINATION

The Purchaser may terminate its obligations hereunder by written notice to the City if, at any time subsequent to the date hereof and on or prior to the Closing Date:

(b) Legislation shall have been enacted or a decision by a court of the United States shall be rendered or any action taken by the Securities and Exchange Commission which, in the opinion of counsel to the Purchaser, has the effect of requiring the offer or sale of the Bonds to be registered under the Securities Act of 1933, as amended from time to time.

(c) In the judgment of the Purchaser, the market price of the Bonds is adversely affected because (A) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, (B) a general banking moratorium shall have been established by Federal, New York or State authorities, or any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Bonds or in any way contesting or affecting any authority or security for or the validity of the Bonds, or the existence or powers of the City.

(d) There shall have occurred any change that, in the reasonable judgment of the Purchaser, makes unreasonable or unreliable any of the assumptions upon which payment of debt service on the Bonds is predicated.

(e) There shall have occurred any material change in the business or affairs of the City which, in the reasonable judgment of the Purchaser, materially adversely affects the investment quality of the Bonds.

(f) Any legislation, ordinance, rule or regulations shall be enacted or be actively considered for enactment by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State shall be rendered, which, in the reasonable opinion of the Purchaser, materially or adversely affects the market price of the Bonds.

(g) There shall have occurred any outbreak or material escalation of hostilities or other calamity or crisis, the effect of which, in the reasonable opinion of the Purchaser, would adversely affect the repayment of the Bonds.

(h) A stop order, ruling regulation or official statement by or on behalf of the Office of Secretary of State of the State shall be issued or made to the effect that the issuance, offering or sale of the Bonds, or of obligations of the general character of the Bonds as contemplated hereby, is a violation of any provisions of the Blue Sky laws of the State.

(i) Any condition to the Purchaser's obligations hereunder is not satisfied or because of any refusal, inability or failure on the part of the City to comply with any of the terms or to fulfill any of the conditions provided for or contemplated by this Agreement, or if for any reason the City shall be unable to perform all of its obligations or satisfy conditions provided for or contemplated in this Agreement.

(j) Additional material restrictions, not in force as of the date hereof, shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

8. EXPENSES

Except as otherwise provided herein, the City shall cause to be paid from proceeds of the sale of the Bonds or from other funds available to the City, the costs of issuing the Bonds, including, but not limited to, the fees and expenses described in Paragraph 3 of this Agreement, whether or not the sale of the Bonds by the City to the Purchaser is consummated.

9. CONDITION OF THE CITY'S OBLIGATIONS

The City's obligations hereunder are subject to the Purchaser's performance of its obligations hereunder.

10. NOTICES

Any notice or other communication to be given to the City and the Purchaser under this Agreement may be given by delivering the same in writing as follows:

City: City of Pascagoula, Mississippi
Attention: City Manager
603 Watts Avenue
Pascagoula, Mississippi 39568

Purchaser: [ADDRESS]

11. SUCCESSORS

This Agreement is made solely for the benefit of the City, and the Purchaser (including their successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof (other than pursuant to Section 3 hereof).

12. SURVIVAL OF CERTAIN REPRESENTATIONS AND WARRANTIES

All agreements, covenants representations and warranties and all other statements of the City set forth in or made pursuant to this Agreement shall remain in full force and effect, regardless of any investigation, or statement as to the results thereof made by or on behalf of the Purchaser or the City, and shall survive the Closing Date and the delivery of and payment for the Bonds.

13. GOVERNING LAW

This Agreement shall be governed by the laws of the State.

14. MISCELLANEOUS

This Agreement, together with the Commitment Letter, constitutes the only agreement among the parties hereto relating to the subject matter hereof and it supersedes and cancels any and all previous contracts, agreements or understandings with respect thereto. This Agreement may not be amended or modified except in writing executed by all parties hereto.

15. 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.

Very truly yours,

**HANCOCK WHITNEY BANK
GULFPORT, MISSISSIPPI**

By: _____
[NAME], [TITLE]

Accepted on _____, 20__

CITY OF PASCAGOULA, MISSISSIPPI

By: _____
Dr. Jay Willis, Mayor

By: _____
Karen Kennedy, City Clerk

(SEAL)

ATTACHMENT A
COMMITMENT LETTER

ATTACHMENT B
MATURITY SCHEDULE

\$ _____ Bonds Maturing		
Maturity (_____ 1)	Principal Amount	Interest Rate

[INSERT INTEREST PAYMENT DATES]

[INSERT OPTIONAL REDMEMPTION TERMS]

[INSERT MANDATORY REDMEMPTION TERMS]

EXHIBIT D
TO THE BOND RESOLUTION
GUARANTY AGREEMENT