

**CITY OF BILOXI
AGENDA ITEM
FACT SHEET**

Item No.: 4D

Council Meeting Date: June 16, 2026

ITEM TITLE: RESOLUTION
INTRODUCED BY: Mayor Andrew "FoFo" Gilich
CONTACT PERSON: Richard Weaver, Chief Administrative Officer
 Peter Abide, City Attorney

SUMMARY EXPLANATION:

Resolution authorizing and directing the issuance of a General Obligation Bond, Series 2026, of the City of Biloxi, Mississippi, for sale to the Mississippi Development Bank in a total aggregate principal amount of not to exceed Eighteen Million Dollars (\$18,000,000); prescribing the form and details of said bond; providing certain covenants of the City in connection with said bond and directing the preparation, execution and delivery thereof; authorizing the sale of said bond to the Mississippi Development Bank; authorizing and approving the form of, execution of and delivery of, as applicable, an Indenture of Trust, the Mississippi Development Bank Bond Purchase Agreement, the City Bond Purchase Agreement; approving the form of and authorizing and directing, if applicable, the distribution of a preliminary Official Statement and a final Official Statement in connection with the sale and issuance of the Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project), in the aggregate principal amount of not to exceed Eighteen Million Dollars (\$18,000,000); and for related purposes.

Resolution Ordinance _____ Public Hearing _____ Routine Agenda _____

Exhibits for Review

Contract _____ Minutes _____ Plans/Maps _____ Deed _____ Lease _____

Other (Specify):

Submittal Authorization: Council President _____ Mayor

STAFF RECOMMENDATION:

COUNCIL ACTION: Motion By: _____ Second By: _____

Vote:	Councilmember	Yes	No	AFR	ABST	Councilmember	Yes	No	AFR	ABST
	Gray	_____	_____	_____	_____	Tisdale	_____	_____	_____	_____
	Marshall	_____	_____	_____	_____	Glavan	_____	_____	_____	_____
	Nail	_____	_____	_____	_____	Shoemaker	_____	_____	_____	_____
	Creel	_____	_____	_____	_____					

ACTION TAKEN:

jm/pa/km061626bleg

RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF A GENERAL OBLIGATION BOND, SERIES 2026, OF THE CITY OF BILOXI, MISSISSIPPI, FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK IN A TOTAL AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED EIGHTEEN MILLION DOLLARS (\$18,000,000); PRESCRIBING THE FORM AND DETAILS OF SAID BOND; PROVIDING CERTAIN COVENANTS OF THE CITY IN CONNECTION WITH SAID BOND AND DIRECTING THE PREPARATION, EXECUTION AND DELIVERY THEREOF; AUTHORIZING THE SALE OF SAID BOND TO THE MISSISSIPPI DEVELOPMENT BANK; AUTHORIZING AND APPROVING THE FORM OF, EXECUTION OF AND DELIVERY OF, AS APPLICABLE, AN INDENTURE OF TRUST, THE MISSISSIPPI DEVELOPMENT BANK BOND PURCHASE AGREEMENT, THE CITY BOND PURCHASE AGREEMENT, AND A PRIVATE PLACEMENT AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING AND DIRECTING, IF APPLICABLE, THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT IN CONNECTION WITH THE SALE AND ISSUANCE OF THE MISSISSIPPI DEVELOPMENT BANK SPECIAL OBLIGATION BONDS, SERIES 2026 (BILOXI, MISSISSIPPI GENERAL OBLIGATION BOND PROJECT), IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED EIGHTEEN MILLION DOLLARS (\$18,000,000); AND FOR RELATED PURPOSES

WHEREAS, the Mayor and the City Council of the City of Biloxi, Mississippi (the "City"), acting for and on behalf of said City, hereby find, determine, adjudicate and declare 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" means the Bank Act and/or the City Bond Act.

"Agent" means any Paying Agent or Transfer Agent, whether serving in either or both capacities. The Agent shall initially be the Trustee.

"Authorized Officer" means the Mayor, the Clerk, the President of the City Council of the City 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.

"Bank" means the Mississippi Development Bank, a body corporate and politic exercising essential public functions, or any successor to its functions organized under the Bank Act.

"Bank Act" means the provisions of Sections 31-25- 1 *et seq.*, Mississippi Code of 1972, as amended from time to time.

"Bank Bonds" means the not to exceed \$18,000,000 Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project), authorized to be issued by the Bank pursuant to the Bank Act and the terms and conditions of the Indenture.

"Bond Counsel" means Wise Carter Child & Caraway, a Professional Association, Gulfport, Mississippi.

"Bond Resolution" means this resolution, as amended or supplemented from time to time.

"Business Day" means any day, other than a Saturday or a Sunday, on which the Trustee or the City Hall of the City is not closed and on which the payment system of the Federal Reserve System is operational.

"City Bond" means the not to exceed \$18,000,000 General Obligation Bond, Series 2026, of the City authorized and directed to be issued in this Bond Resolution in one or more series and registered to the Trustee as assignee of the Bank pursuant to the Indenture.

"City Bond Act" means Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended from time to time.

"Clerk" means the Municipal Clerk of the City.

"Code" means the Internal Revenue Code of 1986 in effect on the date of issuance of the Bank Bonds and the City Bond, and the applicable regulations or rulings promulgated or proposed thereunder, and any successor thereto, as such Code, regulations and rulings may be amended from time to time.

"Construction Project" means certain capital projects and improvements which shall consist of any of the following: erecting municipal buildings, armories, auditoriums, community centers, gymnasiums and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same and for erecting, equipping and furnishing of buildings to be used as a municipal or civic arts center; erecting or purchasing waterworks, gas, electric and other public utility plants or distribution systems or franchises, and repairing, improving and extending the same; purchasing or constructing, repairing, improving and equipping buildings for public libraries and for purchasing land, equipment and books therefor, whether the title to same be vested in the Municipality or in some subdivision of the state government other than the Municipality, or jointly in the Municipality and other such subdivision; establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; protecting the municipality, its streets and sidewalks from overflow, caving banks and other like dangers; constructing, improving and paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; purchasing land for parks, cemeteries and public playgrounds, and improving, equipping and adorning the same, including the constructing, repairing and equipping of swimming pools and other recreational facilities; constructing bridges and culverts; constructing, repairing and improving wharves, docks, harbors and appurtenant facilities, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect or guide the current thereof; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; purchasing or renting voting machines and any other election equipment needed in elections held in the municipality; purchasing machinery and heavy equipment which have an expected useful life in excess of ten (10) years, but specifically not including any

motor vehicles weighing less than twelve thousand (12,000) pounds.

"Governing Body" means the Mayor and City Council of the City.

"Indenture" means that certain Indenture of Trust, to be dated on or about the date of delivery thereof, by and between the Bank and the Trustee, pursuant to which the Bank Bonds are issued. A copy of the form of the Indenture, in substantially final form, is attached as EXHIBIT A hereto.

"Interest Payment Date" is used herein as defined in the Indenture as the interest payment dates of the Bank Bonds.

"Mayor" shall mean the Mayor of the City.

"Municipal Advisor" means Municipal Advisors of Mississippi, Inc., Gulfport, Mississippi.

"Paying Agent" means any bank, trust company or other institution hereafter designated by the Governing Body for the payment of the principal of and premium, if any, and interest on the City Bond. The Paying Agent shall initially be the Trustee.

"Payments" has the meaning set forth in Section 14(b) hereof.

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

"Private Placement Transaction" has the meaning set forth in Section 31 hereof.

"Project" means providing funds for (i) the costs of the Construction Project, and (ii) paying costs of issuance for the City Bond and the Bank Bonds.

"Purchaser" has the meaning set forth in Section 31 hereof.

"Record Date" has the meaning set forth in Section 1.1 of the Indenture.

"Record Date Registered Owner" means the Registered Owner of the City Bond as of the Record Date.

"Registered Owner" or **"Bondholder"** means the Person whose name shall appear in the registration records of the City maintained by the Transfer Agent and shall initially be the Trustee as assignee of the Bank as provided for in the Indenture.

"Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" means the State of Mississippi.

"Transfer Agent" means any bank, trust company or other institution hereafter

designated by the Governing Body for the registration of the owner of the City Bond and for the performance of such other duties as may be herein or hereafter specified by the Governing Body. The Transfer Agent shall initially be the Trustee.

"Trustee" means The Peoples Bank, Biloxi, Mississippi, which financial institution will have corporate trust powers and be qualified to act as Trustee under the Indenture.

"2026 Bond Fund" means the City of Biloxi, Mississippi General Obligation Bond, Series 2026 Bond Fund provided for in Section 14 hereof.

"2026 Construction Fund" means the City of Biloxi, Mississippi General Obligation Bond, Series 2026 Construction Fund provided for in Section 15 hereof.

"Underwriter" or **"Placement Agent"** means Raymond James & Associates, Inc., Memphis, Tennessee, as Underwriter or placement agent, as the case may be, of the Bank Bonds.

(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. Heretofore, on February 10, 2026, the Governing Body adopted a resolution entitled "RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF BILOXI, MISSISSIPPI, EITHER TO ISSUE GENERAL OBLIGATION BONDS OF SAID MUNICIPALITY, OR TO ISSUE A GENERAL OBLIGATION BOND OF SAID MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, IN ONE OR MORE SERIES, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED EIGHTEEN MILLION DOLLARS (\$18,000,000) TO RAISE MONEY FOR THE PURPOSE OF ERECTING MUNICIPAL BUILDINGS, ARMORIES, AUDITORIUMS, COMMUNITY CENTERS, GYMNASIUMS AND ATHLETIC STADIUMS, PREPARING AND EQUIPPING ATHLETIC FIELDS, AND PURCHASING BUILDINGS OR LAND THEREFOR, AND FOR REPAIRING, IMPROVING, ADORNING AND EQUIPPING THE SAME, AND FOR ERECTING, EQUIPPING AND FURNISHING OF BUILDINGS TO BE USED AS A MUNICIPAL OR CIVIC ARTS CENTER; ERECTING OR PURCHASING WATERWORKS, GAS, ELECTRIC AND OTHER PUBLIC UTILITY PLANTS OR DISTRIBUTION SYSTEMS OR FRANCHISES, AND REPAIRING, IMPROVING AND EXTENDING THE SAME; PURCHASING OR CONSTRUCTING, REPAIRING, IMPROVING AND EQUIPPING BUILDINGS FOR PUBLIC LIBRARIES AND FOR PURCHASING LAND, EQUIPMENT AND BOOKS THEREFOR, WHETHER THE TITLE TO SAME BE VESTED IN SAID MUNICIPALITY OR IN SOME SUBDIVISION OF THE STATE GOVERNMENT OTHER THAN THE MUNICIPALITY, OR JOINTLY IN SAID MUNICIPALITY AND OTHER SUCH SUBDIVISION; ESTABLISHING SANITARY, STORM, DRAINAGE OR SEWERAGE SYSTEMS, AND REPAIRING, IMPROVING AND EXTENDING THE SAME; PROTECTING THE MUNICIPALITY, ITS STREETS AND SIDEWALKS FROM OVERFLOW, CAVING BANKS AND OTHER LIKE DANGERS; CONSTRUCTING, IMPROVING OR PAVING STREETS, SIDEWALKS, DRIVEWAYS, PARKWAYS, WALKWAYS OR

PUBLIC PARKING FACILITIES, AND PURCHASING LAND THEREFOR; PURCHASING LAND FOR PARKS, CEMETERIES AND PUBLIC PLAYGROUNDS, AND IMPROVING, EQUIPPING AND ADORNING THE SAME, INCLUDING THE CONSTRUCTING, REPAIRING AND EQUIPPING OF SWIMMING POOLS AND OTHER RECREATIONAL FACILITIES; CONSTRUCTING BRIDGES AND CULVERTS; CONSTRUCTING, REPAIRING AND IMPROVING WHARVES, DOCKS, HARBORS AND APPURTENANT FACILITIES, AND PURCHASING LAND THEREFOR; ALTERING OR CHANGING THE CHANNELS OF STREAMS AND WATER COURSES TO CONTROL, DEFLECT OR GUIDE THE CURRENT THEREOF; PURCHASING FIRE-FIGHTING EQUIPMENT AND APPARATUS, AND PROVIDING HOUSING FOR SAME, AND PURCHASING LAND THEREFOR; PURCHASING OR RENTING VOTING MACHINES AND ANY OTHER ELECTION EQUIPMENT NEEDED IN ELECTIONS HELD IN THE MUNICIPALITY; PURCHASING MACHINERY AND HEAVY EQUIPMENT WHICH WILL HAVE AN EXPECTED USEFUL LIFE IN EXCESS OF TEN (10) YEARS, BUT SPECIFICALLY NOT INCLUDING ANY MOTOR VEHICLES WEIGHING LESS THAN TWELVE THOUSAND (12,000) POUNDS; AND FOR RELATED PURPOSES; AND DIRECTING PUBLICATION OF NOTICE OF SUCH INTENTION" (the "Intent Resolution") indicating its intent either to issue general obligation bonds of the City or to issue a general obligation bond of the City for sale to the Bank, in one or more series, in the maximum aggregate principal amount of Eighteen Million Dollars (\$18,000,000) as authorized by the Bank Act and the City Bond Act for the purposes of providing funds for the Project, and fixed 1:30 o'clock p.m. on March 17, 2026, as the date and hour for any protest to be made and filed against the issuance of such general obligation bonds and/or general obligation bond as described in the Intent Resolution.

3. As required by law and as directed by the Intent Resolution, said Intent Resolution was published once a week for at least three (3) consecutive weeks in *The Sun Herald*, a newspaper published in the City, and having a general circulation in the City, and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended, the first publication having been made not less than twenty-one (21) days before March 17, 2026, and the last publication having been made no more than seven (7) days prior to such date. Said notice was published in said newspaper on March 1, March 8 and March 15, 2026.

4. As of 1:30 o'clock p.m. on March 17, 2026, an insufficient number of written protests against the issuance of such general obligation bonds and/or general obligation bond as described in the Intent Resolution had been filed or presented by qualified electors of the City with the Clerk; and, therefore, the Governing Body did on that date and hereby does find, determine and adjudicate that no sufficient protest against the issuance of the Bonds and/or the City Bond was filed.

5. The Governing Body is authorized and empowered by the provisions of the Act and other applicable laws of the State to issue its City Bond in a principal amount of not to exceed \$18,000,000, in one or more series, and to sell same to the Bank for the purpose of providing funds for the Project without any election on the question of the issuance thereof.

6. The Governing Body desires to authorize and approve the issuance of the City Bond pursuant to this Bond Resolution and the purchase thereof by the Bank with the proceeds of the Bank Bonds.

7. The assessed value of all taxable property within the Municipality, according to the last completed assessment for taxation, is Seven Hundred Ninety-One Million Five Hundred Twenty-Four Thousand Three Hundred and Five Dollars (\$791,524,305); the Municipality currently has outstanding bonded indebtedness subject to the fifteen percent (15%) debt limit prescribed by Section 21-33-303, Mississippi Code of 1972, in the amount less than or equal to Forty-Six Million One Hundred Twenty-Eight Thousand Dollars (\$46,128,000), and outstanding indebtedness, both bonded and floating, subject to the twenty percent (20%) debt limit prescribed by Section 21-33-303, Mississippi Code of 1972 (which amount includes the sum set forth above subject to the 15% debt limit), in the amount less than or equal to Fifty-One Million Six Hundred Eighty-Seven Thousand, Two Hundred Thirty-Seven Dollars (\$51,687,237); the issuance of the Bonds or the City Bond hereinafter proposed to be issued, when added to the outstanding bonded indebtedness of the Municipality, will not result in bonded indebtedness, exclusive of indebtedness not subject to the aforesaid fifteen percent (15%) debt limit, of more than fifteen percent (15%) of the assessed value of taxable property within the Municipality, and will not result in indebtedness, both bonded and floating, exclusive of indebtedness not subject to the aforesaid twenty percent (20%) debt limit, in excess of twenty percent (20%) of the assessed value of taxable property within the Municipality, and will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the Municipality.

8. The Governing Body hereby receives, examines and considers the following form of documents concerning the issuance, sale and purchase of the City Bond by the Bank: (i) the City Bond Purchase Agreement, to be dated the date of sale of the City Bond (the "**City Bond Purchase Agreement**"), by and between the Bank and the City, which provides for the sale of the City Bond to the Bank; (ii) the Indenture; (iii) the Bond Purchase Agreement, to be dated the date of sale of the Bank Bonds (the "**Bond Purchase Agreement**"), by and between the Bank, the City and the Underwriter (or a purchaser or purchasers identified by the Underwriter, with such Underwriter acting as placement agent), which provides for the sale of the Bank Bonds to the Underwriter (or such purchaser or purchasers); (iv) the Preliminary Official Statement, to be dated the date of distribution thereof (the "**Preliminary Official Statement**") describing the Bank Bonds, the City Bond, the terms of the Indenture and other matters in connection with the sale and issuance of the Bank Bonds and the City Bond; (v) the continuing disclosure certificate of the City in connection with the Bank Bonds, to be dated the date of issuance and delivery of the Bank Bonds (the "**Continuing Disclosure Certificate**"); and (vi) the Private Placement Agreement, to be dated the date of sale of the Bank Bonds (the "**Private Placement Agreement**"), by and between the Bank, the City and the Underwriter.

9. The Governing Body does now find, determine and adjudicate that each of the documents referred to above, which documents are now before the Governing Body, is in appropriate form and is an appropriate document for the purposes identified.

10. Upon approval by the Bank, the Preliminary Official Statement will be distributed for use in connection with the sale of the Bank Bonds.

11. The City will make payments on the City Bond in amounts sufficient to pay the principal of, premium, if any, and interest on the Bank Bonds, as and when the same shall become due and payable.

12. The Governing Body does now find, determine and adjudicate that all conditions, acts and things required by the Act and the Constitution and laws of the State to have existed, to have happened and to have been performed prior to and in connection with the adoption of this Bond Resolution, the sale and issuance of the City Bond to the Bank, the sale and issuance of the Bank Bonds, the execution by the City of the Bond Purchase Agreement, the City Bond Purchase Agreement and the Continuing Disclosure Certificate and the distribution of the Preliminary Official Statement have happened and have been performed in regular and due time, form and manner as required by law.

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

SECTION 1. In consideration of the purchase and acceptance of the City Bond by those who shall hold the same from time to time, this Bond Resolution shall constitute a contract between the City and the Registered Owner from time to time of the City Bond and the registered owners from time to time of the Bank Bonds. The pledge made herein and the covenants and agreements herein set forth to be performed on behalf of the City for the benefit of the Registered Owner shall be for the equal benefit, protection and security of the Registered Owner of the City Bond and the registered owners from time to time of the Bank Bonds, all of which, regardless of the time or times of authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction.

SECTION 2. The City Bond is hereby authorized and ordered to be prepared and issued in one or more taxable or tax-exempt series in an aggregate principal amount of not to exceed Eighteen Million Dollars (\$18,000,000) to raise money for the Project as authorized by the Act. The Governing Body of the City is authorized and empowered by the provisions of the Act or as may otherwise be provided by law to issue the City Bond.

SECTION 3. The Governing Body hereby further authorizes and approves the sale of the City Bond to the Bank pursuant to the terms and provisions of the City Bond Purchase Agreement and the sale of the Bank Bonds by the Bank to the Underwriter (or to the Purchaser or Purchasers identified by the Placement Agent) pursuant to the terms and provisions of the Bond Purchase Agreement and, if applicable, the Private Placement Agreement.

SECTION 4. The Governing Body does hereby find and determine that the City Bond and the Bank Bonds are being issued to provide financing for the costs of the Project.

SECTION 5. (a) Payments of interest on the City Bond 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 upon presentation of the City Bond at the corporate trust office of the Paying Agent.

(b) The City Bond shall be dated the date of its delivery; shall be issued as a fully registered bond in a single denomination equal to the principal amount thereof; shall be numbered R-1; shall bear interest from the date thereof at the federally taxable or tax-exempt rate or rates borne by the Bank Bonds (as provided in the Indenture), payable on each Interest Payment Date, subject to the limitation that the City Bond shall not bear a greater overall interest rate to maturity than eleven percent (11%) per annum; and shall mature and become due and payable in the same manner and at the same dates and times as provided for the Bank Bonds in the Indenture; provided, however, that the final maturity for the City Bond shall be no later than twenty-one (21) years from its date of issuance unless earlier redeemed as provided for in this Bond Resolution and the Indenture.

(c) The City Bond is subject to redemption prior to maturity as provided in the Indenture, in whole or in part, at the election of the City. If the City elects so to redeem the City Bond, in whole or in part, it shall direct the Bank and the Trustee to redeem corresponding maturities of the Bank Bonds as provided in the Indenture. In that event, the City shall give written notice to the Bank of such direction and of its election so to redeem the City Bond, of the redemption date, and of the principal amounts of each maturity to be redeemed (which shall be in authorized denominations as provided in the Indenture), at least 30 days prior to the stated redemption date. The City shall pay to the Trustee for deposit in the Redemption Account under the Indenture, prior to the stated redemption date, the amount of the principal of, premium, if any, and interest to the redemption date on the corresponding Bank Bonds to be redeemed, together with any other fees due hereunder or under the Indenture to effectuate said redemption. The payment by the City to effectuate such redemption of the Bank Bonds shall, to the extent paid, constitute an equal and corresponding payment and redemption of the City Bond or portion thereof. It is intended that redemption of the City Bond may only occur through a corresponding redemption of the Bank Bonds as provided in the Indenture, and the City hereby accepts such redemption provisions by this reference.

(d) A default in the due and punctual payment of any interest or principal on the City Bond or a default by the City under this Bond Resolution is an Event of Default (as defined in the Indenture) entitling the Trustee to exercise certain remedies under the Indenture, including, but not limited to, the acceleration of all principal and interest due and owing on the Bank Bonds outstanding. If the Trustee exercises such remedies under the Indenture, the principal and interest due and owing on the City Bond may be accelerated in accordance with the Indenture and the City shall cause the City Bond to be redeemed and paid in full.

SECTION 6. (a) When the City Bond shall have been validated and executed as herein provided, it 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 the City Bond, over her manual or facsimile signature and manual or facsimile seal, her certificate in substantially the form set out in Section 8.

(b) The City Bond shall be executed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the Clerk, with the seal of the City imprinted or affixed thereto; provided, however all signatures and seals appearing on the City Bond, other than the signature of an authorized officer of the Transfer Agent hereinafter 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 City Bond 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.

(c) The City Bond shall be authenticated and delivered to the Bank by the Transfer Agent upon payment of the purchase price therefor in accordance with the terms and conditions of the Indenture and the City Bond Purchase Agreement. There shall also be delivered to the Bank a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance, sale and validation of the City Bond, and the final, unqualified approving opinion of Bond Counsel.

(d) Prior to or simultaneously with the authentication and delivery of the City Bond by the Transfer Agent, 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 City Bond; and
- (ii) An authorization to the Transfer Agent, signed by the Mayor or an Authorized Officer, to authenticate and deliver the City Bond to the Bank; and
- (iii) Such other documentation, if any, as may be required by this Bond Resolution, the Bond Purchase Agreement, Bond Counsel and the Indenture.

SECTION 7. (a) The City hereby appoints the Trustee designated under the Indenture as the Paying Agent, Trustee and Transfer Agent for the City Bond. The City specifically reserves the right to hereafter designate and/or approve a separate Paying Agent, Transfer Agent and/or Trustee in its discretion, subject, however to the terms and conditions of the Indenture, as hereinafter provided.

(b) So long as the City Bond shall remain outstanding, the City shall maintain with the Transfer Agent records for the registration and transfer of the City Bond. The Transfer Agent is hereby appointed registrar for the City Bond, 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, the City Bond if entitled to registration or transfer.

(c) 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.

- (d) (i) An Agent may at any time resign and be discharged of the duties and obligations of the function of the Trustee, Paying Agent and Transfer Agent pursuant to the terms and conditions stated in Article 11 of the Indenture.
- (ii) In the event of the resignation or removal of the Agent, a successor Agent shall be selected as provided in Section 11.7 of the Indenture.

(iii) In the event of a change of Agents, the predecessor Agent shall cease to be custodian of any funds held pursuant to this 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, list of Registered Owners and all other records, documents and instruments relating to its duties as such Agent.

(iv) The provisions of Section 11.8 of the Indenture shall govern the acceptance of any appointment of a successor Agent.

(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 City Bond.

(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 this Bond Resolution.

SECTION 8. The City Bond shall be in substantially the following form, with such appropriate variations, omissions and insertions as are permitted or required by this Bond Resolution:

[Remainder of this page left blank intentionally.]

[CITY BOND FORM]

THIS CITY BOND HAS BEEN ASSIGNED TO THE PEOPLES BANK, BILOXI, MISSISSIPPI, AS TRUSTEE (THE "**TRUSTEE**") UNDER AN INDENTURE OF TRUST (THE "**INDENTURE**") DATED AS OF _____, 2026, BY AND BETWEEN THE MISSISSIPPI DEVELOPMENT BANK AND THE TRUSTEE. THIS CITY BOND IS REGISTERED IN THE NAME OF THE TRUSTEE AND IS NON-TRANSFERABLE EXCEPT AS PERMITTED IN THE INDENTURE.

**UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF BILOXI, MISSISSIPPI
GENERAL OBLIGATION BOND
SERIES 2026**

NO. R- _____

\$ _____

Interest Rate	Maturity Date	Original Issue Date	Date of Authentication
(as set forth below)	(as set forth below)	_____, 2026	_____, 2026

Registered Owner: The Peoples Bank, Biloxi, Mississippi, as Assignee of the Mississippi Development Bank

Principal Amount: _____

The City of Biloxi, located in Harrison County, Mississippi ("City"), a body politic, existing and organized under the laws of the State of Mississippi ("State"), acknowledges itself to owe and, for value received, hereby promises to pay in lawful money of the United States of America the principal amounts set forth below on the corresponding maturity dates. Final payment of principal shall be made upon the presentation and surrender of this Bond on ____ 1, 20__ at the principal office of The Peoples Bank, Biloxi, Mississippi, or its successor, as paying agent ("Paying Agent") for this General Obligation Bond, Series 2026, of the City (this "Bond").

The City further promises to pay, in lawful money of the United States of America, interest on such principal amounts from the date of this Bond or from the most recent interest payment date to which interest has been paid at the applicable rate of interest set forth below on ____ 1 and ____ 1 of each year, beginning ____ 1, 202__ (each, an "Interest Payment Date") until the outstanding principal amount shall have been paid in full.

This Bond shall be payable as to principal on _____ 1 of each year in the years and principal amounts, and such portions of principal shall bear interest at the rates of interest per annum, as hereinafter set forth:

YEAR	AMOUNT	RATE OF INTEREST
(<i>1 Maturity</i>)		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		
2045		
2046		
2047		

Payments of the principal amount of this Bond and interest thereon shall be made to the registered owner hereof who shall appear in the registration records of the City maintained by the Paying Agent who is also the registration agent and transfer agent ("Transfer Agent") in time to reach said registered owner at least five Business Days (as defined in the Bond Resolution hereinafter defined) preceding the applicable Interest Payment Date.

Payments of interest on this Bond, and payments of principal other than the final payment of principal, shall be made by check or draft delivered or mailed to such registered owner at its address as it appears on such registration records. Payments of principal shall be noted on the face of this Bond by the Paying Agent and the final payment of principal on _____ 1, 20__ shall be made upon presentation and surrender hereof at the principal office of the Paying Agent. 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 Interest Payment Date that it is intended to be effective.

This Bond is registered as to both principal and interest and is issued in the form of a single typed bond with annual maturities set forth on the face hereof in the aggregate authorized principal amount of _____ Million Dollars (\$ __,000,000) to provide funds necessary for (a) erecting

municipal buildings, armories, auditoriums, community centers, gymnasiums and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same and for erecting, equipping and furnishing of buildings to be used as a municipal or civic arts center; erecting or purchasing waterworks, gas, electric and other public utility plants or distribution systems or franchises, and repairing, improving and extending the same; purchasing or constructing, repairing, improving and equipping buildings for public libraries and for purchasing land, equipment and books therefor, whether the title to same be vested in the Municipality or in some subdivision of the state government other than the Municipality, or jointly in the Municipality and other such subdivision; establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; protecting the municipality, its streets and sidewalks from overflow, caving banks and other like dangers; constructing, improving and paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; purchasing land for parks, cemeteries and public playgrounds, and improving, equipping and adorning the same, including the constructing, repairing and equipping of swimming pools and other recreational facilities; constructing bridges and culverts; constructing, repairing and improving wharves, docks, harbors and appurtenant facilities, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect or guide the current thereof; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; purchasing or renting voting machines and any other election equipment needed in elections held in the municipality; purchasing machinery and heavy equipment which have an expected useful life in excess of ten (10) years, but specifically not including any motor vehicles weighing less than twelve thousand (12,000) pounds, and (b) paying the costs of issuance of this Bond and the Bank Bonds (as defined herein).

This Bond is issued under the authority of the Constitution and statutes of the State, including Sections 21-33-301 et seq. and Sections 31-25-1 et seq., Mississippi Code of 1972 (together, the "Act"), and by the further authority of proceedings duly had by the Mayor and City Council of the City including a resolution adopted June 16, 2026 ("Bond Resolution").

The Bond Resolution constitutes a contract between the City, the registered owner of this Bond and the registered owners of the Bank Bonds (as hereinafter defined). Reference is hereby made to the Bond Resolution and to all amendments and supplements thereto for the provisions, among others, with respect to the nature and extent of the security for the Bondholder, the rights, duties and obligations of the City and the Bondholder and the terms upon which this Bond is or may be issued and secured.

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 and subject to the limitations set forth in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer or exchange, a new Bond of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond will be issued.

The City and Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof, whether this Bond be overdue or not, for the purpose of receiving payment of or on account of principal hereof and redemption premium, if any and interest due hereon and for all

other purposes. All such payments so made to the registered owner shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

The City will duly and punctually pay the principal of, premium, if any, and interest on this Bond at the dates and places and in the manner mentioned in the Bond Resolution, according to the true intent and meaning thereof. Notwithstanding any schedule of payments on this Bond, the City agrees to make payments upon this Bond and be liable therefor at such times and in such amounts (including principal, premium, if any, and interest) so as to provide for payment when due of the principal of, premium, if any, and interest on the \$____,000,000 Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project) (the "Bank Bonds") outstanding under the Indenture of Trust dated as of _____, 2026 (the "Indenture") by and between the Mississippi Development Bank and The Peoples Bank, Biloxi, Mississippi, as trustee ("Trustee"), whether upon a scheduled Interest Payment Date, at maturity or by mandatory redemption or optional redemption. Payments of principal of and interest on this Bond are to be applied to an equal and corresponding payment of principal and interest on the Bank Bonds.

This Bond is subject to redemption at the times, in the amounts and subject to the same requirements as apply to the Bank Bonds as set forth in the Indenture.

THIS BOND IS NOT AN OBLIGATION OF THE STATE OF MISSISSIPPI AND THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BOND IS NOT GUARANTEED BY THE STATE OF MISSISSIPPI. This Bond is and will continue to be payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to time, rate or amount upon all the taxable property within the geographical limits of the City; provided, however, that such tax levy for any year shall be abated to the extent that the City on or prior to September 1 of that year has transferred money to the Series 2026 Bond Fund established under the Bond Resolution, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on this Bond due during the ensuing fiscal year of the City, in accordance with the provisions of the Bond Resolution. The City, when necessary, will levy annually a special tax upon all taxable property within the geographical limits of the City adequate and sufficient to provide for the payment of the principal of and the interest on this Bond as the same falls due.

This Bond is the only evidence of indebtedness issued and outstanding under the Bond Resolution. This Bond has been purchased by the Mississippi Development Bank, has been assigned to the Trustee under the Indenture, is registered in the name of the Trustee and is non-transferable except as provided in the Bond Resolution and in the Indenture.

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 Authentication 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 this Bond, in order to make the same a legal and binding general obligation 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. For the performance in apt time and manner of every official act herein required, and for the prompt payment of this Bond, both principal and interest, the full faith and credit of the City are hereby irrevocably pledged.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Municipal Clerk of the City, under the seal of the City, which said signatures and seal said officials adopt as and for their own proper signatures and seal, all on this the _____ day of _____, 2026.

CITY OF BILOXI, MISSISSIPPI

By: _____
Mayor

COUNTERSIGNED:

By: _____
Municipal Clerk

(SEAL)

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond is the Bond described in the within mentioned Bond Resolution and is the General Obligation Bond, Series 2026, of the City of Biloxi, Mississippi.

_____, MISSISSIPPI
As Authentication Agent

By: _____
Authorized Officer

Date of Registration and Authentication

REGISTRATION AND VALIDATION CERTIFICATE

STATE OF MISSISSIPPI
COUNTY OF HARRISON
CITY OF BILOXI

I, the undersigned Municipal Clerk of Biloxi, 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 book kept in my office for that purpose and the issuance of the Bond was confirmed by a validation decree of the Chancery Court of the Second Judicial District of Harrison County, Mississippi, rendered on the _____ day of _____, 2026.

Municipal Clerk

(SEAL)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto
(Name and Address of Assignee)

(Insert Social Security Number or other Tax Identification Number of Assignee)

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

Signature Guaranteed

*(Bank, Trust Company, or
Transfer Agent)*

Date of Assignment

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

Signature Guaranteed:

Authorized Officer

[END OF CITY BOND FORM]

SECTION 9. In case the City 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 City Bond of like date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated City Bond, or in lieu of and in substitution for such City 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 City Bond stolen, destroyed or lost, its filing with the City or Transfer Agent of evidence satisfactory to them that the City Bond was stolen, destroyed

or lost, and of its 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 10. This City Bond shall be a general obligation of the City and the City hereby irrevocably pledges its full faith, credit and taxing power for the purpose of effectuating and providing for the payment of the principal of and interest on the City Bond as the same shall respectively mature and accrue. For the purpose of effectuating and providing for the payment of the principal of and interest on the City Bond as the same shall respectively mature and accrue, there shall be and is hereby levied a direct, continuing special tax upon all of the taxable property within the geographical limits of the City, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and the interest on the City Bond; provided, however, that such tax levy for any year shall be abated to the extent that the City on or prior to September 1 of that year has transferred money to the 2026 Bond Fund of the City Bond, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the City Bond due during the ensuing fiscal year of the City, in accordance with the provisions of the Bond Resolution. Said tax, if necessary, shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the City are collected, and the rate of tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to time, rate or amount. The avails of said tax are hereby irrevocably pledged for the payment of the principal of and interest on the City Bond as the same shall respectively mature and accrue. Should there be a failure in any year to comply with the requirements of this section, such failure shall not impair the right of the Registered Owner of the City Bond in any subsequent year to have adequate taxes levied and collected to meet all of the aforesaid obligations of the City Bond.

SECTION 11. Only if the City Bond shall have endorsed thereon a certificate of registration and authentication in substantially the form hereinabove set forth, duly executed by the Transfer Agent, shall the City Bond be entitled to the rights, benefits and security of this Bond Resolution. The City Bond shall not 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 this Bond Resolution. The Transfer Agent's certificate of registration and authentication on the City Bond shall be deemed to have been duly executed if signed by an authorized official of the Transfer Agent, but it shall not be necessary that the same officer sign said certificate on the City Bond that may be issued hereunder at any one time.

SECTION 12. Ownership of the City Bond shall be in the Bank or its assignee. The Person in whose name the City 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 premium, if any, or interest on the City 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 the City Bond to the extent of the sum or sums so paid.

SECTION 13. The City Bond shall be transferable only as provided in the Indenture. Upon

the transfer of the City Bond, the City, acting through its Transfer Agent, shall issue in the name of the transferee a new City Bond of the same aggregate principal amount and maturity and rate of interest as the surrendered City Bond.

SECTION 14. (a) The City hereby establishes the 2026 Bond Fund which shall be maintained with a qualified depository in its name for the payment of the principal of, premium, if any, and interest on the City Bond, and the payment of Agents' fees in connection therewith. There shall be deposited into the 2026 Bond Fund as and when received:

- (i) The avails of any of the ad valorem taxes levied and collected pursuant to Section 10 hereof;
- (ii) Any income received from investment of monies in the 2026 Bond Fund;
- (iii) Any other funds available to the City, including without limitation funds received pursuant to the Mississippi Infrastructure Modernization Act (MIMA), to the extent they may be lawfully used for payment of the principal of, premium, if any, and interest on the City Bond or for other obligations of the City which may be due under the Indenture and which the Governing Body, in its discretion, may direct to be deposited into the 2026 Bond Fund.

(b) As long as any principal of, premium, if any, or interest on the City Bond or the Bank Bonds remains outstanding and/or other obligations of the City remain outstanding under the Indenture, the Municipal Clerk is hereby irrevocably authorized and directed to withdraw from the 2026 Bond Fund sufficient monies to make the payments necessary (the "**Payments**") to pay (i) the principal of and interest coming due on the Bank Bonds, (ii) the amounts required for the payment of the redemption price (including interest accrued through the date of redemption and any premium due thereon) of outstanding Bank Bonds being redeemed, and (iii) any Additional Payments (as defined in the Indenture), and to transfer same to the account of the Trustee in time to reach the Trustee at least five (5) Business Days prior to the date on which said amounts shall become due, without defense or set off by reason of any dispute between the City and the Trustee. The Trustee shall deposit all Payments received in the General Account of the General Fund of the Indenture, or such other fund or account in the Indenture as so directed in the Indenture.

(c) Funds on deposit in the 2026 Bond Fund may be invested in Investment Securities (as defined in the Indenture), to the extent they are authorized by the Bank Act and applicable provisions of State law, which Investment Securities shall mature not later than the respective dates when the money held for the credit of the 2026 Bond Fund will be required for the purposes intended. The Mayor, the President of the Governing Body or the Clerk are authorized for and on behalf of the City to execute an engagement letter with Raymond James & Associates, Inc., for the pricing and acquisition of direct United States obligations or other permitted investments of amounts in the 2026 Bond Fund and to execute all other related documents and to take other actions necessary or desirable to accomplish the investment of amounts in the 2026 Bond Fund, if applicable.

SECTION 15. (a) The City hereby establishes the 2026 Construction Fund which shall be maintained with a qualified depository. The net proceeds received upon the sale of the City Bond

shall be deposited in the 2026 Construction Fund. Any income received from investment of monies in the 2026 Construction Fund shall be deposited in the 2026 Construction Fund and shall be used for the cost of the Construction Project and, if necessary, shall be deposited in the 2026 Bond Fund for the payment of debt service on the City Bond. From the 2026 Construction Fund there shall be held and disbursed moneys for the acquisition and construction of the Construction Project, as authorized by the Act. Any amounts which remain in the 2026 Construction Fund after the completion of the Construction Project shall be transferred to the 2026 Bond Fund and used as permitted under State law.

(b) Funds on deposit in the 2026 Construction Fund may be invested in Investment Securities, to the extent they are authorized by the Bank Act and applicable provisions of State law, which Investment Securities shall mature not later than the respective dates when the money held for the credit of the 2026 Construction Fund will be required for the purposes intended. The Mayor, President of the Governing Body or the Clerk are authorized for and on behalf of the City to execute an engagement letter with Raymond James & Associates, Inc., for the pricing and acquisition of direct United States obligations or other permitted investments of amounts in the 2026 Construction Fund and to execute all other related documents and to take other actions necessary or desirable to accomplish the investment of amounts in the 2026 Construction Fund.

SECTION 16. (a) Payment of the final installment of principal and premium, if any, on the City Bond shall be made to the Record Date Registered Owner thereof upon the presentation and surrender of the City Bond at the principal office of the Paying Agent.

(b) Payment of each installment of interest and principal on the City Bond shall be made to the Record Date Registered Owner thereof. Interest and principal shall be payable in the aforesaid manner irrespective of any transfer or exchange of such City Bond subsequent to the Record Date and prior to the due date of such payment.

(c) Interest and principal (other than the final installment of principal) on the City Bond shall be paid by check or draft mailed to the Record Date Registered Owner at the address appearing in the registration records of the Transfer Agent in time to reach the Record Date Registered Owner at least five (5) Business Days prior to an Interest Payment Date. 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 and at the times as may be subsequently prescribed by the Transfer Agent.

SECTION 17. The City Bond shall be submitted for 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 City Bond and to certify and forward the same to the State's Bond Attorney for the institution of validation proceedings.

SECTION 18. The City covenants to comply with each applicable requirement of the Code and the regulations promulgated thereunder necessary to maintain the exclusion of interest on the Bank Bonds from gross income for federal income tax purposes, and, in furtherance thereof, to comply with a certificate of the City to be executed and delivered concurrently with the issuance of the City Bond and the Bank Bonds (the "**Tax Certificate**"), or such other covenants compliance with which may, from time to time, be required in order to maintain the exclusion of interest on the Bank Bonds from gross income for federal income tax purposes. The City shall not take any action or omit to take any action, which action or omission, if reasonably expected on the date of

initial issuance and delivery of the Bank Bonds, would cause the Bank Bonds to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141(a) and 148(a), respectively, of the Code, or any successor provisions. Notwithstanding any other provisions to the contrary, so long as necessary in order to maintain the exclusion of interest on the Bank Bonds from gross income for federal income tax purposes under the Code, the covenants contained in this Section 18 shall survive the payment of the City Bond and the Bank Bonds and the interest thereon, including any defeasance thereof.

SECTION 19. The City represents as follows:

(a) The City shall take no action that would cause the Bank Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code;

(b) The City shall take all necessary action to have the Bank Bonds registered within the meaning of Section 149(a) of the Code; and

(c) The City will not employ any device or abusive transaction with respect to the investment of the proceeds of the Bank Bonds and, to the extent necessary, the City Bond.

SECTION 20. The City hereby covenants that in connection with the Bank Bonds it shall make, or cause to be timely made, to the United States of America any rebate payment required by Section 148(f) of the Code and the regulations promulgated thereunder, and, to that end, the City agrees to comply with the Tax Certificate to be executed by the City on the date of the issuance and delivery of the City Bond and the Series 2026 Bonds, as such Tax Certificate may be amended from time to time in accordance with its terms.

SECTION 21. The City Bond shall be sold to the Bank based on the terms and conditions of the sale of the Bank Bonds by the Bank to the Underwriter, or, if applicable, to the Purchaser(s) identified by the Placement Agent.

SECTION 22. The Mayor, the Clerk and/or any Authorized Officer are hereby authorized to sign and file or cause to be filed a completed I.R.S. Form 8038-G "Information Return for Governmental Obligations" pursuant to Section 149(e) of the Code.

SECTION 23. The Mayor, the Clerk and/or any Authorized Officer are hereby authorized to execute and deliver the Tax Certificate in order to comply with Section 148 of the Code and the applicable regulations thereunder.

SECTION 24. The City, as an "obligated person" under the Rule, covenants and agrees to execute and deliver the Continuing Disclosure Certificate setting forth the City's agreement with regard to continuing disclosure and to comply with the covenants set forth therein and to carry out all of the provisions of the Continuing Disclosure Certificate. If the City fails to comply with the provisions of the Continuing Disclosure Certificate, the beneficial owners of the Bank Bonds may take such actions as may be necessary and appropriate, including mandamus or specific performance by court order, to cause the City to comply with its obligations set forth in the Continuing Disclosure Certificate and this Section 24.

SECTION 25. The City may issue refunding bonds, in one or more series, with the consent of the Bank pursuant to a supplement to this Bond Resolution or a separate resolution to provide funds for the refunding of all or a portion of the City Bond so long as: (a) no default has occurred and is continuing under this Bond Resolution or the Indenture; and (b) there shall have been filed with the City and the Trustee an opinion of Bond Counsel that the exclusion from

gross income for federal income tax purposes of interest on the Bank Bonds then outstanding under the Indenture shall not be adversely affected.

Such refunding bonds shall be appropriately designated, shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate then permitted by law, shall be numbered, shall have such paying agents and shall have such maturities and redemption provisions, all as may be provided in the supplement to this Bond Resolution or separate resolution of the Governing Body, authorizing the issuance of such refunding bonds.

It is intended that this Section 25 allow for the provision of refunding bonds commensurate with the ability of the Bank to issue its refunding bonds as provided in Section 2.5 of the Indenture.

SECTION 26. (a) The Bank and the City, without the consent of the owners of any of the Bank Bonds outstanding under the Indenture, may enter into supplements to this Bond Resolution which shall not be inconsistent with the terms and provisions hereof for any of the purposes heretofore specifically authorized in this Bond Resolution or the Indenture, and in addition thereto for the following purposes:

- (i) To cure any ambiguity or formal defect or omission in this Bond Resolution or the Indenture;
- (ii) To grant to or confer upon the Trustee for the benefit of the Bondholders and the holders of the Bank Bonds any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or to make any change which, in the opinion of Bond Counsel, does not materially and adversely affect the interests of the Bondholders or the holders of the Bank Bonds and does not require consent of the holders of the Bank Bonds pursuant to Section 12.2 of the Indenture;
- (iii) To subject to the Indenture additional revenues, properties or collateral;
- (iv) To modify, amend or supplement the Indenture or any indenture supplemental thereto in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bank Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to the Indenture or any indenture supplemental thereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;
- (v) To evidence the appointment of a separate or co-trustee or the succession of a new Trustee under the Indenture or the succession of a new Agent; and
- (vi) In connection with issuance of refunding bonds in accordance with Section 25 above.

(b) The provisions of this Bond Resolution may be amended in any particular with the written consent of the Bank and the owners of not less than a majority of the aggregate principal amount of Bank Bonds then outstanding; provided, however, that no such amendment may be

adopted without the consent of all of the owners of the Bank Bonds which effects (i) an extension of the maturity of the principal of or the interest or redemption date on the City Bond or any Bank Bond, or (ii) a reduction in the principal amount of the City Bond or any Bank Bond or change in the rate of interest or redemption premium thereon, or (iii) a privilege or priority of any Bank Bond or Bonds over any other Bank Bond or Bonds, or (iv) a reduction in the percentage of owners of the Bank Bonds required for such amendment, or (v) the creation of any lien securing any of the Bank Bonds other than a lien ratably securing all of the Bank Bonds at any time outstanding under the Indenture, or (vi) any modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Trustee without the written consent of the Trustee.

(c) If at any time the Bank and the City shall request the Trustee to consent to a proposed amendment for any of the purposes of this Section 26, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such proposed amendment to be given in the manner required by the Indenture to amend the Indenture. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all holders of Bank Bonds. If, within 60 days or such longer period as shall be prescribed by the Bank following such notice, the owners of not less than a majority in aggregate principal amount of the Bank Bonds outstanding at the time of the execution of any such proposed amendment shall have consented to and approved the execution thereof as herein provided, no owner of any Bank Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee, the City or the Bank from executing or approving the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such proposed amendment as in this Section permitted and provided, this Bond Resolution shall be and be deemed to be modified and amended in accordance therewith.

(d) Copies of any such supplement or amendment shall be filed with the Trustee and delivered to the Bank and the City before such supplement or amendment may become effective.

SECTION 27. The Mayor, the Clerk and/or an Authorized Officer of the Governing Body are authorized to execute and deliver such resolutions, agreements, certificates and other documents as are required for the sale, issuance and delivery of the City Bond.

SECTION 28. The Indenture is hereby made a part of this Bond Resolution as though set forth in full herein and shall be, and the same hereby is, approved in substantially the form attached as **EXHIBIT A** hereto. The Mayor, the Clerk and/or an Authorized Officer of the Governing Body are hereby authorized to approve such additional changes as may be requested or approved by the Bank. The Governing Body hereby approves and acknowledges the Indenture and the terms and provisions thereof and recognizes that many items governing the terms and conditions of the City Bond are based upon terms, limitations and conditions provided in the Indenture. The Peoples Bank, Biloxi, Mississippi, is hereby approved to serve as trustee under the Indenture.

SECTION 29. The City Bond Purchase Agreement, in the form submitted to this meeting, is hereby made a part of this Bond Resolution as though set forth in full herein and shall be, and the same hereby is, approved in substantially the form attached as **EXHIBIT B** hereto. The Mayor, the Clerk and/or an Authorized Officer of the Governing Body are hereby authorized and directed to execute and deliver the City Bond Purchase Agreement for and on behalf of the City in substantially the form attached hereto, with such completions, changes, insertions and

modifications as may be approved by said officers, said execution being conclusive evidence of such approval.

SECTION 30. The Bond Purchase Agreement, in the form submitted to this meeting, is hereby made a part of this Bond Resolution as though set forth in full herein and shall be, and the same hereby is, approved in substantially the form attached as **EXHIBIT C** hereto. The Mayor, the Clerk and/or an Authorized Officer of the Governing Body are hereby authorized and directed to execute and deliver the Bond Purchase Agreement for and on behalf of the City, with such completions, changes, insertions and modifications as may be approved by said officers, including without limitation any changes as may be necessary to reflect that the Bank Bonds are privately placed to one or more Purchasers identified by the Placement Agent, said execution being conclusive evidence of such approval, subject to the following conditions: (a) a total amount of Bank Bonds, in one or more series, not to exceed a total aggregate principal amount of Eighteen Million Dollars (\$18,000,000); (b) the Bank Bonds will bear interest at the rates to be provided in the Indenture and shall not bear a greater overall interest rate to maturity than eleven percent (11%) per annum; (c) approval by the City of the sale of the City Bond to the Bank evidenced by the City's execution of the City Bond Purchase Agreement; (d) maturity schedule for the Bank Bonds of not to exceed twenty-one (21) years from the date of issuance; and (e) terms and provisions of the Bank Bonds in compliance with the Act.

SECTION 31. (a) The form of the Preliminary Official Statement as submitted to this meeting is hereby made a part of this Bond Resolution as though set forth in full herein and shall be, and the same hereby is, approved in substantially said form. The Mayor, the Clerk and/or an Authorized Officer of the Governing Body are hereby authorized and directed to execute and deliver the Preliminary Official Statement, if the Bank Bonds are sold pursuant to a public offering, with such completions, changes, insertions and modifications as may be approved by said officers, said execution being conclusive evidence of such approval. The Preliminary Official Statement is hereby "deemed final" by the City as described in the Rule. The Mayor, the Clerk and/or an Authorized Officer of the Governing Body are hereby authorized and directed to execute and deliver the Official Statement in connection with the Bank Bonds with such changes from the Preliminary Official Statement as they may approve, their execution thereof being conclusive evidence of such approval. Said Preliminary Official Statement is attached hereto as **EXHIBIT D**.

(b) If in the opinion of the Underwriter and the Municipal Advisor, a supplement or amendment to the Preliminary Official Statement and/or Official Statement is necessary to provide proper disclosure for the Bank Bonds, the Governing Body of the City hereby authorizes (a) Bond Counsel to prepare and distribute such supplement or amendment to the Preliminary Official Statement and/or the Official Statement in a form and in a manner approved by the Underwriter, and (b) the Underwriter to provide distribution of such supplement or amendment to the Preliminary Official Statement and/or Official Statement, as the case may be, in connection with the sale of the Bank Bonds, with the distribution of such supplement or amendment being conclusive evidence of the approval of the Governing Body.

(c) The Continuing Disclosure Certificate, in the form attached to the Preliminary Official Statement as submitted to this meeting, is hereby made part of this Bond Resolution as though set forth in full herein and shall be, and the same hereby is, approved in substantially said form. The Mayor, the Clerk and/or an Authorized Officer are hereby authorized to execute and deliver the Continuing Disclosure Certificate with such completions, changes, insertions and

modifications as may be approved by said officers, said execution being conclusive evidence of such approval.

(d) If the Municipal Advisor deems it in the best interest of the Issuer to sell the Series 2026 Bonds as a privately placed transaction (the "**Private Placement Transaction**") due to municipal bond market conditions, the Governing Body authorizes and approves: (i) the Private Placement Transaction in order to conform to such determination by the Municipal Advisor; (ii) the Private Placement Agreement in substantially the form submitted to this meeting and attached hereto as **EXHIBIT E**; (iii) Raymond James & Associates, Inc., as placement agent for the Private Placement Transaction (the "**Placement Agent**"); and (iv) any term sheet, if applicable, of a purchaser or purchasers (the "**Purchaser**") in connection with the Private Placement Transaction.

If the Series 2026 Bonds are sold as a Private Placement Transaction the following shall apply: (i) the Series 2026 Bonds shall be initially issued as fully registered bonds in the principal denomination of \$100,000 and increments of \$1,000 each thereafter, or integral multiples thereof up to the amount of a single maturity, (ii) shall be subject to redemption in the manner, to the extent and with such notice as stated in the Private Placement Agreement and the Term Sheet, (iii) shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of the Private Placement Agreement and the Term Sheet, (iv) shall be authenticated and delivered to, upon the order of or as directed by the Purchaser thereof upon payment of the purchase price of the Series 2026 Bonds to the Trustee in accordance with the Private Placement Agreement and the Term Sheet, and (v) may or may not have CUSIP numbers assigned thereto as specified in the Private Placement Agreement and the Term Sheet.

SECTION 32. The Mayor, the Clerk and/or an Authorized Officer are hereby authorized and directed to sign requisitions and perform such other acts as may be necessary to authorize the payment by the Trustee for the Bank Bonds on the closing date of the Bank Bonds of the costs of issuance of said Bank Bonds and costs of issuance for the City Bond of the City; provided, however, total costs of issuance for said Bank Bonds and the City Bond shall not exceed five (5%) percent of the par amount of the Bank Bonds (excluding Underwriters' discount (or placement agent fee) and any premiums for municipal bond insurance, if applicable).

SECTION 33. Upon consultation with the Municipal Advisor and Bond Counsel, the Mayor, the Clerk and/or an Authorized Officer are hereby authorized and directed to make all final determinations necessary to finalize the Indenture and the sale of the Bank Bonds, including, but not limited to, the form thereof, manner of sale, the date of sale, the dated date and payment dates of the Bank Bonds, the final principal amount of the Bank Bonds, the interest rate or rates to be borne by the Bank Bonds, the funding of capitalized interest, if applicable, the maturity schedule relating to the Bank Bonds, the redemption terms of the Bank Bonds, the purchase price or prices to be paid for the Bank Bonds and any other terms thereof; provided, however, that all such determinations shall be made subject to approval by the Bank, to be evidenced by the execution of the Bond Purchase Agreement for the sale of the Bank Bonds.

SECTION 34. The Mayor, the Clerk and/or an Authorized Officer are hereby authorized and directed to execute and deliver any additional documents, agreements, instruments, requisitions and certificates, which are required in connection with the sale and issuance of the Bank Bonds and the City Bond, including the approval of the final Official Statement in connection with the Bank Bonds. Notwithstanding any other provision herein or in any attachments hereto,

the Governing Body further authorizes any necessary changes to the name or title or series designation of the Bank Bonds or the City Bond and corresponding changes to any of the related documents approved hereby if it is determined, after consultation with the Municipal Advisor, that it is in the best interest of the City for the Bank Bonds to be issued at a later date or in one or more tax-exempt or taxable series, as municipal bond market conditions may dictate.

SECTION 35. Upon the recommendation of the Municipal Advisor, the Mayor, the Clerk and/or an Authorized Officer are hereby authorized to apply for, execute and deliver, a commitment for the provision of municipal bond insurance and any additional documents and certificates which are required by any provider of such municipal bond insurance selected to provide credit enhancement in connection with the issuance of the Bank Bonds. Such insurer shall be selected by the Bank and the City following negotiations with prospective insurers by the Municipal Advisor. Any changes, insertions and omissions as may be required by the provider of the municipal bond insurance to the Indenture, the City Bond, and the Preliminary Official Statement are to be approved by the City and the Bank, and the execution of the commitment for said municipal bond insurance being conclusive evidence of such approval. Payment of the premiums, if applicable, for such municipal bond insurance out of the proceeds of the Bank Bonds is hereby approved. The Mayor, the Clerk and/or an Authorized Officer are hereby authorized to execute and deliver, if applicable, the commitment for municipal bond insurance on behalf of the Bank and/or the City.

SECTION 36. The Mayor, the Clerk and/or an Authorized Officer are authorized to execute and deliver such resolutions, agreements, certificates and other documents as are required for the sale, issuance and delivery of the City Bond. The Governing Body further authorizes Bond Counsel, the City Attorney of the City and the Municipal Advisor to prepare and distribute all necessary documents and to do all things required in order to negotiate the sale of the Bank Bonds and to effectuate the sale and issuance of the City Bond and the Bank Bonds.

SECTION 37. The Mayor, the Clerk and/or an Authorized Officer are hereby authorized and directed to make all final determinations necessary in connection with the City Bond, including, but not limited to, the form thereof, the date of sale, the dated date and payment dates, the final principal amount of the City Bond, the interest rate or rates to be borne by the City Bond, the funding of capitalized interest, if applicable, the maturity schedule relating to the City Bond, the redemption terms of the City Bond, and the price to be paid for the City Bond and any other terms thereof, subject to the provisions of the Act and this Bond Resolution.

SECTION 38. If any one or more of the provisions of this Bond Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this Bond Resolution, but this Bond Resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

SECTION 39. 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.

EXHIBIT A
FORM OF INDENTURE

INDENTURE OF TRUST

BY AND BETWEEN

MISSISSIPPI DEVELOPMENT BANK

AND

THE PEOPLES BANK,
BILOXI, MISSISSIPPI,
AS TRUSTEE

DATED AS OF _____, 2026

MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BONDS, SERIES 2026
(BILOXI, MISSISSIPPI GENERAL OBLIGATION BOND PROJECT)

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "**Indenture**") is dated as of _____, 2026, by and between the **MISSISSIPPI DEVELOPMENT BANK**, a public body corporate and politic, of the State of Mississippi (the "**State**") exercising essential public functions (the "**Bank**"), organized under the provisions of Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "**Bank Act**"), and **THE PEOPLES BANK**, a state banking association duly organized and existing under the laws of the State and authorized to accept and execute trust of the character herein with its principal corporate trust office in Biloxi, Mississippi, as trustee (the "**Trustee**").

WITNESSETH:

WHEREAS, the Bank is authorized and empowered by the provisions of the Act to issue bonds for the purpose of buying Securities of Local Governmental Units (all as defined in the Bank Act); and

WHEREAS, the execution and delivery of this Indenture has been in all respects duly and validly authorized by a resolution duly passed and approved by the Board of the Bank.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

The Bank, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the owners thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, Redemption Price (as hereinafter defined), and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Bank of all covenants expressed or implied herein and in the Bonds, does hereby grant, transfer, bargain, sell, convey, mortgage, assign and pledge, and grant a security interest in, the rights, interests, properties, moneys and other assets described in the following Granting Clauses to the Trustee and its successors in trust and assigns forever (collectively, the "**Trust Estate**"), for the purpose of securing the performance of the obligations of the Bank hereinafter set forth, such grant, transfer, bargaining, sale, conveyance, mortgage, assignment, pledge and security interest, as described in the following Granting Clauses.

GRANTING CLAUSE FIRST

All cash and securities now or hereafter held in the Funds and Accounts created or established under this Indenture (other than the Rebate Fund) and the investment earnings thereon (other than the Rebate Fund) and all proceeds thereof (except to the extent in the Rebate Fund or any amounts which are transferred from such Funds and Accounts from time to time in accordance with this Indenture to the Rebate Fund). **All capitalized words and phrases used but not otherwise defined herein have the meanings ascribed to such words and phrases in Section 1.1 hereof unless the context requires otherwise.**

GRANTING CLAUSE SECOND

The City Bond acquired and held by the Trustee pursuant to this Indenture, all the payments thereunder, including Additional Payments, as defined herein, due under the City Bond Resolution, all the earnings thereon and all proceeds thereof.

GRANTING CLAUSE THIRD

All funds, accounts and monies hereinafter pledged to the Trustee as security by the Bank to the extent of that pledge.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its respective successors in trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future owners of the Bonds issued under and secured by this Indenture without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds except as otherwise expressly provided herein;

PROVIDED HOWEVER, that if the Bank shall pay or cause to be paid, or there shall otherwise be paid or made provision for payment of, the principal of and interest on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds, and shall pay or cause to be paid or there shall otherwise be paid or made provision for payment to the Trustee of all sums of money due or to become due according to the provisions hereof and shall otherwise comply with Article 9 hereof, then this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture to be and remain in full force and effect.

THIS INDENTURE OF TRUST FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all said property, rights and interests, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed, and the Bank has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners, from time to time, of the Bonds, or any part thereof, as follows (subject, however, to the provisions of Sections 3.11 and 3.12 hereof):

ARTICLE 1

DEFINITIONS AND RULES OF INTERPRETATION

1.1 Definitions. The following capitalized words and phrases have the following meanings when used in this Indenture unless the context otherwise requires:

"**Accounts**" means the accounts created pursuant to Article 6 hereof.

"**Act**" means, together, the Bank Act and the City Bond Act.

"Additional Payments" means such Additional Payments as required by this Indenture, which include, each and all of the following, to be paid by the City under the City Bond Resolution:

(a) all Costs of Issuance to the extent not paid from the proceeds of the Series 2026 Bonds;

(b) to or upon the order of the Trustee, upon demand, all fees of the Trustee for services rendered under the Indenture and all fees and charges of the paying agent, registrars, legal counsel, accountants, engineers, public agencies and others incurred in the performance on request of the Trustee of services required under the Indenture for which the Trustee and such other persons are entitled to payment or reimbursement; provided that after payment in full thereof the City may, without creating a default hereunder, contest in good faith the necessity or reasonableness of any such services, fees or expenses other than the Trustee's fees for ordinary services as set forth in the Indenture, paying agency fees and any fees or charges of public agencies;

(c) to the Issuer and the Trustee, the Program Expenses, and all other reasonable expenses incurred by the Issuer and the Trustee in relation to the Construction Project under the City Bond Resolution which are not otherwise required to be paid by the City under the terms of the City Bond Resolution and all indemnity payments required to be made under Section 11.9 hereof; and

(d) any and all out-of-pocket costs and expenses (including, without limitation, the reasonable fees and expenses of any counsel, accountants, appraisers or other professionals) incurred by the Trustee or the Issuer at any time, in connection with (i) the preparation, negotiation and execution of this Indenture, the City Bond, the City Bond Resolution and all other Bond Documents, any amendment of or modification of this Indenture, the City Bond, the City Bond Resolution or the other Bond Documents (including in connection with any sale, transfer, or attempted sale or transfer of any interest herein to a participant or assignee); (ii) any litigation, contest, dispute, suit, proceeding or action, whether instituted by the Issuer, the Trustee, the City or any other person in any way relating to the Construction Project, the City Bond, the City Bond Resolution, the other Bond Documents, or the City's affairs; (iii) any attempt to enforce any rights of the Trustee or the Issuer against the City or any other person which may be obligated to the Trustee and/or Issuer by virtue of the City Bond, the City Bond Resolution, the other Bond Documents or any other Construction Project related document; (iv) any action to protect, collect, sell, liquidate or otherwise dispose of the Construction Project; and (v) performing any of the obligations relating to or payment of any obligations of the City hereunder in accordance with the terms hereof or any other Bond Document.

"Authorized Officer" means the President, Vice President, Executive Director, Secretary or Assistant Secretary of the Bank or such other person or persons who are duly authorized to act on behalf of the Bank.

"Bank" means the Mississippi Development Bank, a body corporate and politic exercising essential public functions, or any successor to its functions, organized under the Bank Act.

"Bank Act" means the provisions of Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended or supplemented from time to time.

"Bankruptcy Code" means 11 United States Code Sections 100 *et seq.*, as amended or supplemented from time to time.

"Beneficial Owner" means, whenever used with respect to a Bond, the person whose name is recorded as the beneficial owner of such Bond by a DTC Participant on the records of such DTC Participant, or such person's subrogee.

"Bond Counsel" means an attorney or firm of attorneys approved by the City and the Bank nationally recognized in the area of municipal law and matters relating to the exclusion of interest on state and local government bonds from gross income under federal tax law, including particularly compliance with Section 148(f) of the Code. Wise Carter Child & Caraway, a Professional Association, Gulfport, Mississippi, is serving as Bond Counsel in connection with the sale and issuance of the Series 2026 Bonds.

"Bond Documents" shall mean this Indenture, the City Bond Resolution, the Bond Purchase Agreement and the City Bond Purchase Agreement.

"Bond Issuance Expense Account" means the account by that name created by Section 6.2 hereof.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement, dated _____, 2026, by and among the Bank, the Underwriter and the City in connection with the issuance and sale of the Series 2026 Bonds.

"Bond Register" means the registration records of the Bank kept by the Trustee to evidence the registration and transfer of the Bonds.

"Bondholder" or "holder of Bonds" or "owner of Bonds" or any similar term means the Registered Owner of any Bond.

"Bonds" means the Series 2026 Bonds and any Refunding Bonds issued pursuant to this Indenture.

"Business Day" means any day, other than a Saturday or Sunday, on which the Trustee or the City Hall of the City is not closed and on which the payment system of the Federal Reserve System is operational.

"City" shall mean the City of Biloxi, Mississippi, a "local governmental unit" under the Bank Act.

"City Bond" means the \$____,000,000 General Obligation Bond, Series 2026 issued by the City pursuant to the City Bond Resolution and registered to the Trustee as assignee of the Bank pursuant to this Indenture.

"City Bond Act" means the provisions of Mississippi Code of 1972, Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended or supplemented from time to time.

"City Bond Payment" means the amounts paid or required to be paid from time to time, for

principal, premium, if any, and interest on the City Bond held by the Trustee pursuant to this Indenture.

"City Bond Purchase Agreement" means that certain City Bond Purchase Agreement, dated _____, 2026, by and between the City and the Bank in connection with the issuance and sale of the City Bond.

"City Bond Resolution" means that certain Bond Resolution adopted by the City on June 16, 2026, in connection with the issuance of the City Bond.

"Code" means the Internal Revenue Code of 1986 in effect on the date of issuance of the Series 2026 Bonds, and the applicable regulations or rulings promulgated or proposed thereunder, and any successor thereto.

"Construction Project" means providing funds for financing certain capital projects and improvements which shall consist of any of the following: erecting municipal buildings, armories, auditoriums, community centers, gymnasiums and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same and for erecting, equipping and furnishing of buildings to be used as a municipal or civic arts center; erecting or purchasing waterworks, gas, electric and other public utility plants or distribution systems or franchises, and repairing, improving and extending the same; purchasing or constructing, repairing, improving and equipping buildings for public libraries and for purchasing land, equipment and books therefor, whether the title to same be vested in the Municipality or in some subdivision of the state government other than the Municipality, or jointly in the Municipality and other such subdivision; establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; protecting the municipality, its streets and sidewalks from overflow, caving banks and other like dangers; constructing, improving and paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; purchasing land for parks, cemeteries and public playgrounds, and improving, equipping and adorning the same, including the constructing, repairing and equipping of swimming pools and other recreational facilities; constructing bridges and culverts; constructing, repairing and improving wharves, docks, harbors and appurtenant facilities, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect or guide the current thereof; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; purchasing or renting voting machines and any other election equipment needed in elections held in the municipality; purchasing machinery and heavy equipment which have an expected useful life in excess of ten (10) years, but specifically not including any motor vehicles weighing less than twelve thousand (12,000) pounds.

"Costs of Issuance" shall mean items of expense payable or reimbursable directly by or indirectly by the Bank and related to the authorization, sale, validation and issuance of the Bonds and the City Bond as allowed by the Code, which items of expense shall include, but not be limited to, printing costs, costs of reproducing documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, professional consultants' fees, financial advisor fees and expenses, costs of credit ratings, fees and charges for execution, transportation and safekeeping of Bonds, credit enhancements or liquidity facility fees, fees and expenses of the Underwriter, and other costs, charges and fees in connection with the foregoing.

"**Counsel**" means an attorney or firm of attorneys duly admitted to practice law before the highest court of any state and approved by the Bank and the Trustee.

"**DTC**" means The Depository Trust Company, New York, New York.

"**DTC Participants**" shall have the meaning ascribed thereto in Section 2.7 herein.

"**DTC's Blanket Letter of Representations**" means the Blanket Letter of Representations, dated January 9, 1997 between the Bank and DTC.

"**Default**" means an event or condition the occurrence of which, with the lapse of time or the giving of notice or both, would become an Event of Default hereunder.

"**Event of Default**" means any occurrence or event specified in Section 10.1 hereof.

"**Funds**" means the funds created pursuant to Article 6 hereof (except for the Rebate Fund).

"**General Account**" means the account by that name created by Section 6.2 hereof.

"**General Fund**" means the fund by that name created by Section 6.2 hereof.

"**Governmental Obligations**" means to the extent permitted by State law (a) direct obligations of the United States of America; and (b) obligations guaranteed as to principal and interest by the United States of America or any federal agency whose obligations are backed by the full faith and credit of the United States of America, including but not limited to: Department of Housing and Urban Development, Export-Import Bank, Farmers Home Administration (or successor thereto), Federal Financing Bank, Federal Housing Administration, Maritime Administration, Small Business Administration, which obligations include but are not limited to certificates or receipts representing direct ownership of future interest or principal payments on obligations described in clause (a) or in this clause (b) and which are held by a custodian in safekeeping on behalf of the holders of such receipts.

"**Indenture**" means this Indenture of Trust, and all supplements and amendments hereto entered into pursuant to Article 12 hereof.

"**Interest Payment Date**" means any date on which interest is payable on the Bonds, and for the Series 2026 Bonds, _____ 1 and _____ 1, commencing _____ 1, 202__.

"**Investment Securities**" means any and all securities, instruments and the like in which the Bank is authorized from time to time to invest its funds under State law, including but not limited to Governmental Obligations.

"**Local Governmental Unit**" means (i) any county, municipality, utility district, regional solid waste authority, county cooperative service district or political subdivision of the State, (ii) the State or any agency thereof, (iii) the institutions of higher learning of the State, (iv) any education building corporation established for institutions of higher learning, or (v) any other governmental unit created under State law.

"Notice Address" means, with respect to the City, the Bank, the Trustee, and the Underwriter:

Bank: Mississippi Development Bank
735 Riverside Drive, Suite 300
Jackson, MS 39202
Attn: Executive Director

Trustee: The Peoples Bank
152 Lameuse Street
Biloxi, MS 39530
Attn: Corporate Trust Department

Underwriter: Raymond James & Associates, Inc.
1100 Ridgeway Loop, Suite 300
Memphis, TN 38120

City: City of Biloxi, Mississippi
140 Lameuse Street
Biloxi, Mississippi 39530
Attn: Mayor

"Opinion of Bond Counsel" means an opinion by a nationally recognized firm experienced in matters relating to the tax exemption for interest payable on obligations of states and their instrumentalities and political subdivisions under federal law, and which is acceptable to the Bank and the Trustee.

"Opinion of Counsel" means a written opinion of Counsel addressed to the Trustee, for the benefit of the owners of the Bonds, who may (except as otherwise expressly provided in this Indenture) be Counsel to the Bank or Counsel to the owners of the Bonds and who is acceptable to the Trustee.

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

- (a) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;
- (b) Bonds deemed paid under Article 9 hereof; and
- (c) Bonds in lieu of which other Bonds have been authenticated under Section 3.5, 3.6 or 3.10 hereof.

"Paying Agent" means The Peoples Bank, Biloxi, Mississippi, or any successor thereto, acting as the Paying Agent under the City Bond Resolution.

"Principal Office" means, as it relates to the Trustee, the address for the Trustee set forth under the definition of Notice Address above.

"Principal Payment Date" means the maturity date or the mandatory sinking fund redemption date of any Bond.

"Program" means the program for purchasing Securities of Local Governmental Units by the Bank pursuant to the Bank Act.

"Program Expenses" means all of the fees and expenses of the Trustee relating to the Bonds or City Bond and costs of determining the amount rebatable, if any, to the United States of America under Section 6.11 hereof, all to the extent properly allocable to the Program and approved in writing by the Bank.

"Project" means providing financing for (a) the purchase of the City Bond to finance the Construction Project and (b) paying the Costs of Issuance for the City Bond and the Series 2026 Bonds.

"Purchase Account" means the account by that name created by Section 6.2 hereof.

"Rebate Fund" means the fund by that name created by Section 6.2 hereof.

"Record Date" means, with respect to any Interest Payment Date, the fifteenth day of the calendar month next preceding such Interest Payment Date.

"Redemption Account" means the account by that name created by Section 6.2 hereof.

"Redemption Price" means, with respect to any Bond, the principal amount or portion thereof being redeemed, plus the applicable premium, if any.

"Refunding Bonds" means Bonds issued pursuant to Section 2.5 hereof and any Supplemental Indenture.

"Registered Owner" means the person or persons in whose name any Bond shall be registered on the Bond Register.

"Revenues" means the Funds and Accounts (except for the Rebate Fund) and all income, revenues and profits of the Funds and Accounts (except for the Rebate Fund) referred to in the granting clauses hereof including, without limitation, all City Bond Payments and any additional amounts paid to the Trustee under the City Bond Resolution or from any other source whatsoever.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw Hill Companies, its successors and assigns, and, if dissolved or liquidated or if it no longer performs the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City (with the approval of the Bank), by written notice to the Trustee.

"Secretary" means the Secretary or the Assistant Secretary of the Bank.

"Series 2026 Bonds" means \$_____ Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project) issued pursuant to Section 2.1 of this Indenture.

"State" means the State of Mississippi.

"Supplemental Indenture" means an indenture supplemental to or amendatory of this Indenture, executed by the Bank and the Trustee in accordance with Article 12 hereof.

"Tax Certificate" means the Tax Certificate of the City or the Tax Certificate of the Bank, as the context requires, dated the date hereof, delivered in connection with the Series 2026 Bonds.

"Trustee" means The Peoples Bank, Biloxi, Mississippi, or any successor thereto hereunder.

"Trust Estate" means the property, rights, and amounts pledged and assigned to the Trustee pursuant to the granting clauses hereof.

"Underwriter" means Raymond James & Associates, Inc., Memphis, Tennessee, acting as underwriter for the Series 2026 Bonds.

1.2 Rules of Interpretation. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) "This Indenture" means this instrument as originally executed and as it may from time to time be supplemented or amended pursuant to the applicable provisions hereof.

(b) All references in this instrument to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein," "hereof," "hereunder," and "herewith" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(c) The terms defined in this Article or elsewhere in this Indenture have the meanings assigned to them in this Article or elsewhere in this Indenture, as the case may be, and include the plural as well as the singular.

(d) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

(e) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(f) The headings or captions used in this Indenture are for convenience of reference only and shall not define or limit or describe any of the provisions hereof or the scope or intent thereof.

ARTICLE 2

AUTHORIZATION AND ISSUANCE OF BONDS

2.1 Authorization and Issuance of Series 2026 Bonds. Bonds of the Bank to be known and designated as "Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project)," are hereby authorized to be issued. The aggregate principal amount of Series 2026 Bonds that may be issued, authenticated and Outstanding hereunder is Eighteen Million Dollars (\$18,000,000).

There is hereby created by this Indenture, in the manner and to the extent provided herein, a continuing pledge and lien to secure the full and final payment of the principal or Redemption Price of and interest on all of the Series 2026 Bonds issued pursuant to this Indenture. The Series 2026 Bonds shall be payable solely from the Revenues. The State shall not be liable on the Series 2026 Bonds and the Series 2026 Bonds shall not be a debt, liability, pledge of the faith or loan of the credit or moral obligation of the State. The Series 2026 Bonds shall contain on the face thereof a statement to the effect that the Bank is obligated to pay the principal of the Series 2026 Bonds, and the interest and the redemption premium, if any, thereon only from the Revenues and that the State is not obligated to pay such principal, interest or redemption premium, if any, and that neither the faith and credit nor the taxing power of the State is pledged to the payment of the Series 2026 Bonds. In the Bank Act, the State has pledged to and agreed with the holders of any Series 2026 Bonds that the State will not limit or alter the rights hereby vested in the Bank to fulfill the terms of any agreements made with the Bondholders or in any way impair the rights and remedies of such holders until such Series 2026 Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders of Series 2026 Bonds, are fully met and discharged. All Series 2026 Bonds shall mature on or before _____ 1, 20__.

2.2 Purpose and Disposition of Series 2026 Bonds.

The purpose for issuing the Series 2026 Bonds is to fund the Purchase Account in order to provide funds for the purchase of the City Bond (which amounts are to provide funds to the City for the Construction Project pursuant to the Act) and to fund the Bond Issuance Expense Account of the General Fund to pay Costs of Issuance. Upon the delivery of the Series 2026 Bonds and receipt of the net proceeds therefor, the Bank shall deliver to the Trustee the net proceeds of the Series 2026 Bonds in the amount of \$ _____ for deposit (i) into the Bond Issuance Expense Account of the General Fund, the sum of \$ _____ to pay Costs of Issuance; and (ii) into the Purchase Account, \$ _____ of the net proceeds to be distributed to the City as provided in the City Bond Purchase Agreement.

2.3 General Description of the Series 2026 Bonds. The Series 2026 Bonds shall be issuable as fully registered bonds in the authorized denominations of \$ _____ or any integral multiple of \$ _____ in excess thereof. The Series 2026 Bonds shall be numbered from R-1 upward, as applicable.

Each Series 2026 Bond shall carry an original issue date of _____, 2026 and shall carry the date on which it is authenticated. If a Series 2026 Bond is authenticated on or prior to

_____, 202__, it shall bear interest from its date. Each Series 2026 Bond authenticated thereafter shall bear interest from the most recent Interest Payment Date to which interest has been paid as of the date of authentication of such Series 2026 Bond unless such Series 2026 Bond is authenticated after a Record Date and on or before the next succeeding Interest Payment Date, in which event the Series 2026 Bond will bear interest from such next succeeding Interest Payment Date.

Interest on each Series 2026 Bonds shall be payable on _____ 1 and _____ 1 of each year, commencing _____, 202__, until such Series 2026 Bond is paid. Interest will be calculated using a three hundred sixty (360) day year based on twelve (12) thirty (30) day months.

The Series 2026 Bonds shall bear interest at the rates per annum and shall mature on _____ 1 in the years and in the principal amounts, as set forth below:

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		
2045		
2046		
2047		

2.4 Provisions for Issuance of Bonds. The Bonds shall be executed by Authorized Officers of the Bank for issuance under this Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and be delivered by the Trustee as specified in a written order of the Bank, but only upon the receipt by the Trustee of:

(a) A copy, duly certified by an Authorized Officer, of the resolution or resolutions adopted by the Board of Directors of the Bank authorizing the execution and delivery of this Indenture and all other instruments contemplated thereby and the authorization, issuance, sale and delivery of the Series 2026 Bonds;

(b) A copy, duly certified by the Municipal Clerk or an authorized officer of the City, of the City Bond Resolution and any other resolution(s) of the City authorizing the execution and delivery of all instruments contemplated thereby and approving this Indenture and the authorization, issuance, sale and delivery of the City Bond;

(c) Original executed counterparts of the Bond Documents;

(d) Signed copies of all opinions of Counsel, including opinions of Bond Counsel, required by the Bond Documents or the Underwriter;

(e) A request and authorization to the Trustee by or on behalf of the Bank and signed by an Authorized Officer to authenticate and deliver the Series 2026 Bonds to or as directed by the Underwriter or other purchaser(s), as the case may be, and specifying the amounts to be deposited in the accounts of the General Fund pursuant to Section 2.2 hereof; and

(f) Such further documents, moneys and securities as are required by the provisions of this Section 2.4 or Article 7 hereof and the Underwriter.

2.5 Provisions for Issuance of Refunding Bonds.

(a) All or any part of one or more series of Refunding Bonds may be issued hereunder, and authenticated and delivered upon original issuance, to refund all or any part of the Outstanding Bonds. Refunding Bonds shall be issued in a principal amount sufficient, together with other monies available therefor, to accomplish such refunding and to make such deposits required by the provisions of the Act, this Section and by the Supplemental Indenture authorizing said Refunding Bonds.

(b) Refunding Bonds may be authenticated and delivered only upon receipt by the Trustee (in addition to the receipt by the Trustee of the documents required by Section 2.4 hereof with respect to such Refunding Bonds) of:

(i) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all of the Series 2026 Bonds to be refunded on the redemption date specified in such instructions;

(ii) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice provided for in Section 4.5 hereof to the owners of the Series 2026 Bonds being refunded (which may be a conditional notice of redemption); and

(iii) Either (A) monies in an amount sufficient to effect timely payment at the Redemption Price or principal payment amount of the Series 2026 Bonds to be refunded or paid, respectively, together with accrued interest on such Series 2026 Bonds to the redemption or maturity date and all necessary and appropriate fees and expenses of the Trustee, which monies shall be held by the Trustee or an escrow agent approved by the Bank in a separate account irrevocably in trust for and assigned to the respective owners of the Series 2026 Bonds to be refunded or paid, or (B) Governmental Obligations in such principal amounts, of such maturities, bearing such interest, and

otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of Article 9 which Governmental Obligations shall be held in trust and used only as provided in said Article.

2.6 Form of Bonds. The Bonds and the Trustee's certificate of authentication to be endorsed on the Bonds are all to be in substantially the following form, with necessary and appropriate variations, omissions and insertions as are permitted or required by this Indenture, or any Supplemental Indenture, as applicable:

[FORM OF SERIES 2026 BOND]

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

UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BOND, SERIES 2026
(BILOXI, MISSISSIPPI GENERAL OBLIGATION BOND PROJECT)

NO. R-__ \$ _____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>Date of Authentication</u>	<u>CUSIP</u>
%	___ 1, 20___	_____, 2026	_____, 20__	

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

Mississippi Development Bank, a body corporate and politic, exercising essential public functions ("Bank"), organized under the laws of the State of Mississippi (the "State"), for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, upon surrender hereof, the principal amount stated above in lawful money of the United States of America but solely from the sources referred to herein and not otherwise, on the Maturity Date specified above, to the extent not earlier redeemed as provided herein, and to pay interest on such principal amount outstanding from time to time in like money, but solely from said sources, from

the interest payment date to which interest has been paid as of the date of authentication of this Series 2026 Bond (unless this Series 2026 Bond is authenticated on or before _____, 202_, then from its original issue date, or unless this Series 2026 Bond is authenticated after _____, 202_ and on or before the next succeeding interest payment date, then from such interest payment date or unless payment of the interest on this Bond is in default, then from such date when interest has been paid in full) at the Interest Rate per annum stated above, payable on each _____ 1 and _____ 1, commencing _____ 1, 202_, until the principal amount of this Series 2026 Bond shall have been paid in full. The payment of principal of this Series 2026 Bond at final maturity, or upon earlier optional redemption as provided herein, will be made upon presentation and surrender hereof at the principal corporate trust office of The Peoples Bank, Biloxi, Mississippi, as trustee (the "**Trustee**"), or at the principal corporate trust office of any successor trustee appointed under the Indenture hereinafter mentioned. Payments of interest hereon, and mandatory sinking fund redemption payments, will be made to the Registered Owner hereof whose name appears on the registration records kept by the Trustee at the close of business on the fifteenth day of the calendar month next preceding the applicable payment date by check mailed on the payment date by the Trustee to such Registered Owner at his address as it appears on the registration records of the Bank kept by the Trustee or, at the written election of the Registered Owner of \$1,000,000 or more in aggregate principal amount of Series 2026 Bonds delivered to the Trustee at least one Business Day prior to the Record Date (as defined in the Indenture) for which such election will be effective, by wire transfer to the Registered Owner or by deposit into the account of the Registered Owner if such account is maintained by the Trustee.

In any case where the due date of interest on, or the maturity date of principal of, or the date fixed for redemption of this Series 2026 Bond shall not be a Business Day, then payment of such amounts then due may be made on the next Business Day with the same force and effect as if made on the due date.

Notwithstanding any other provision of this Series 2026 Bond or the Indenture to the contrary, so long as this Series 2026 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, premium, if any, and interest on this Series 2026 Bond and all notices with respect to this Series 2026 Bond shall be made and given, respectively, in the manner provided in DTC's Blanket Letter of Representations.

The principal of this Series 2026 Bond and the other Series 2026 Bonds, and the interest and premium, if any, payable hereon and thereon, are payable solely by the Bank from the Revenues (as defined herein) and other funds of the Bank pledged therefor under the Indenture, which Revenues and funds include the payments on the City Bond (as hereinafter defined) purchased by the Bank. The Bank has no taxing power. This Series 2026 Bond and the other Series 2026 Bonds, both as to principal, premium, if any, and interest, constitute neither a debt, liability or loan of the credit of the State or any political subdivision thereof under the constitution or statutes of the State nor a pledge of the faith and credit, the taxing power or moral obligation of the State or any political subdivision thereof; provided, however, that the City Bond securing this Series 2026 Bond is a general obligation of the City. The issuance of the Series 2026 Bonds under the provisions of the Act, as hereinafter defined, does not, directly, indirectly or contingently, obligate the State or any political subdivision thereof other than the City to levy any form of taxation for the payment thereof or to make any appropriation

for their payment and such Series 2026 Bonds do not now and shall never constitute a debt of the State or any political subdivision thereof within the meaning of the constitution or the statutes of the State and do not now and shall never constitute a charge against the credit of the State or any political subdivision thereof or a charge against the taxing power of the State or any political subdivision thereof. Neither the State nor any agent, attorney, member or employee of the State or of the Bank shall in any event be liable for the payment of the principal of, premium if any, or interest on the Series 2026 Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Bank. No breach by the Bank of any such pledge, mortgage obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any agent, employee, attorney or member of the State or of the Bank, or any charge upon their general credit or upon the taxing power of the State. In the Bank Act (hereinafter defined), the State has pledged and agreed with the holders of any Series 2026 Bonds that the State will not limit or alter the rights thereby vested in the Bank to fulfill the terms of any agreements made with the Bondholders or in any way impair the rights and remedies of such holders until such Series 2026 Bonds, together with the interest and premium, if any, thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders of Series 2026 Bonds, are fully met and discharged.

This Series 2026 Bond is one of an authorized issue of bonds of the Bank known as Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project) ("Series 2026 Bonds") issued under and secured by an Indenture of Trust dated as of _____, 2026 ("Indenture"), duly executed and delivered by the Bank to the Trustee. The Series 2026 Bonds are limited in aggregate principal amount to Eighteen Million Dollars (\$18,000,000). The Series 2026 Bonds are issued pursuant to Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended ("Bank Act"), and Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended (the "City Bond Act") and, together with the Bank Act, the "Act"), to provide funds to purchase the City Bond to provide funds for the Construction Project (as hereinafter defined) and to pay costs of issuing the Series 2026 Bonds and the City Bond. The "City" is Biloxi, Mississippi and the "City Bond" is the City of Biloxi, Mississippi General Obligation Bond, Series 2026 in the aggregate principal amount of \$____,000,000. The City Bond is a general obligation of the City secured and described in that certain Bond Resolution, adopted by the Mayor and City Council of the City on June 16, 2026 (the "City Bond Resolution"). The proceeds received by the City from the sale of the City Bond to the Bank will be used by the City for the purpose of financing certain capital projects and improvements which shall consist of any of the following: erecting municipal buildings, armories, auditoriums, community centers, gymnasiums and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same and for erecting, equipping and furnishing of buildings to be used as a municipal or civic arts center; erecting or purchasing waterworks, gas, electric and other public utility plants or distribution systems or franchises, and repairing, improving and extending the same; purchasing or constructing, repairing, improving and equipping buildings for public libraries and for purchasing land, equipment and books therefor, whether the title to same be vested in the Municipality or in some subdivision of the state government other than the Municipality, or jointly in the Municipality and other such subdivision; establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same;

protecting the municipality, its streets and sidewalks from overflow, caving banks and other like dangers; constructing, improving and paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; purchasing land for parks, cemeteries and public playgrounds, and improving, equipping and adorning the same, including the constructing, repairing and equipping of swimming pools and other recreational facilities; constructing bridges and culverts; constructing, repairing and improving wharves, docks, harbors and appurtenant facilities, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect or guide the current thereof; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; purchasing or renting voting machines and any other election equipment needed in elections held in the municipality; purchasing machinery and heavy equipment which have an expected useful life in excess of ten (10) years, but specifically not including any motor vehicles weighing less than twelve thousand (12,000) pounds (the "Construction Project").

The City Bond Resolution, a certified copy of which is on file in the principal corporate trust office of the Trustee, provides that the City is obligated to make payments secured by the full faith, credit and taxing power of the City in an aggregate amount sufficient, with any other funds available therefor, for the payment in full of the principal of and interest on all Bonds issued and Outstanding under the Indenture, to the date of payment thereof.

In the City Bond Resolution, the City covenants to levy a direct, continuing special tax upon all of the taxable property within the geographical limits of the City, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and the interest on the City Bond; provided, however, that such tax levy for any year shall be abated to the extent that the City on or prior to September 1 of that year has transferred money to the bond fund established for the City Bond, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the City Bond due during the ensuing fiscal year of the City, in accordance with the provisions of the City Bond Resolution. Said tax shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the City are collected, and the rate of tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to time, rate or amount. The avails of said tax are irrevocably pledged in the City Bond Resolution for the payment of the principal of and interest on the City Bond as the same shall respectively mature and accrue.

The Series 2026 Bonds, together with any Refunding Bonds which may be issued under the Indenture (collectively, "Bonds"), are all equally and ratably secured by and entitled to the protection of the Indenture on a parity one with another. To secure payment of principal of and premium, if any, and interest on all Bonds and the performance of all other covenants of the Bank under the Indenture, the Bank, pursuant to the Indenture, has assigned and pledged to the Trustee, and has granted to the Trustee a security interest in, the Trust Estate (as defined in the Indenture), including all rights, title and interest of the Bank in and to all moneys and securities from time to time received and held by the Trustee under the Indenture and all income from the deposit, investment and reinvestment thereof except any moneys and securities held in the Rebate Fund established under the Indenture (all such money and funds and accounts referred to in the granting clauses of the Indenture are defined in the Indenture and are herein referred to as the "Revenues").

Reference is hereby made to the Indenture for a description of the rights, duties and obligations of the Bank, the Trustee and the owners of the Bonds, the terms and conditions upon which the Series 2026 Bonds are issued and the terms and conditions upon which the Series 2026 Bonds will be paid at or prior to maturity, or will be deemed to be paid upon the making of provision for payment therefor, to all of which terms and conditions this Series 2026 Bond is subject. Copies of the Indenture are on file at the principal corporate trust office of the Trustee.

This Series 2026 Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Trustee, but only in the manner and subject to the limitations prescribed in the Indenture and upon surrender and cancellation of this Series 2026 Bond. This Series 2026 Bond may be transferred without cost to the Registered Owner except for any tax or governmental charge required to be paid with respect to the transfer. Upon such transfer a new Series 2026 Bond or Series 2026 Bonds of the same maturity and of authorized denomination or denominations for the same aggregate principal amount outstanding will be issued to the transferee in exchange therefor. The Series 2026 Bonds are issuable as fully registered bonds in minimum denominations of \$_____ and any integral multiple of \$_____ in excess thereof.

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

Optional Redemption. In accordance with the Indenture and the City Bond Resolution, the Series 2026 Bonds are subject to optional redemption prior to their stated date of final maturity in whole or in part, in principal amounts and maturities as selected by the Bank on any date on or after _____, 20___, at par plus accrued interest to the date of redemption thereof.

If less than all of the Series 2026 Bonds are to be redeemed, the principal amount and maturity to be redeemed shall be selected by the Bank, and the Trustee, in its sole discretion, shall select the Bonds to be redeemed by lot within a selected maturity, provided that Bonds shall be redeemed only in whole multiples of \$_____. In accordance with DTC's standard practices and its agreement with the Bank, DTC and the DTC Participants will make this selection so long as the Series 2026 Bonds are in book-entry only form.

[Mandatory Sinking Fund Redemption. The Series 2026 Bonds maturing on _____, 20___, are term bonds subject to mandatory sinking fund redemption prior to their scheduled maturity on ____ 1 of the years listed below at a redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date from amounts on deposit in the General Account of the General Fund in accordance with the following schedule:

Year	Principal Amount
	\$ _____]

If any of the Bonds are called for redemption as aforesaid, notice thereof identifying the Bonds to be redeemed will be given by mailing a copy of the redemption notice (which may be a conditional notice of redemption) by registered or certified mail not less than thirty (30) days nor more than forty-five (45) days prior to the date fixed for redemption to the Registered Owner of

the Bonds to be redeemed at the address shown on the Bond Register. Failure to give such notice by mailing, or any defect therein with respect to any Bond, shall not affect the validity of any proceedings for the redemption of other Bonds. All Bonds, or portions thereof, so called for redemption will cease to bear interest on the specified redemption date, shall no longer be secured under the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture, provided funds for their redemption are on deposit at the place of payment prior to the redemption date.

The Registered Owner of this Series 2026 Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2026 Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made to the extent permitted by, and in accordance with, the Indenture.

The Bank hereby certifies, recites and declares that all acts, conditions and things required by the constitution and statutes of the State, the Indenture, and resolutions of the Bank to exist, happen and be performed prior to the issuance of this Series 2026 Bond do exist, have happened and have been performed in due time, form and manner as required by the Act; that the issuance of the Series 2026 Bonds, together with all other obligations of the Bank, does not exceed or violate any constitutional or statutory limitation applicable to the Bank; and that the Revenues pledged to the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds, as the same become due, are designed to be sufficient in amount for that purpose.

This Series 2026 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture.

IN WITNESS WHEREOF, the Mississippi Development Bank has caused this Series 2026 Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Executive Director and a manual or facsimile seal of its official seal to be hereunto impressed or imprinted hereon by any means and attested by the manual signature of its Secretary.

MISSISSIPPI DEVELOPMENT BANK

By: _____
Executive Director

ATTEST:

By: _____
Secretary

(SEAL)

[FORM OF CERTIFICATE OF AUTHENTICATION]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2026 Bonds issued and delivered pursuant to the provisions of the within mentioned Indenture.

THE PEOPLES BANK,
as Trustee

By: _____
Authorized Signatory

Date of Authentication: _____, 20__

[FORM OF VALIDATION CERTIFICATE]

VALIDATION CERTIFICATE

STATE OF MISSISSIPPI
COUNTY OF HINDS

The undersigned Secretary of the Mississippi Development Bank does hereby certify that the within Series 2026 Bond has been validated and confirmed by Decree of the Chancery Court of the First Judicial District of Hinds County, Mississippi, rendered on the ___ day of ___, 2026.

Secretary

(SEAL)

[FORM OF ASSIGNMENT]

ASSIGNMENT

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

(PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE)

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF ASSIGNEE)

the within Series 2026 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, Attorney, to transfer the within Series 2026 Bond on the records kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Series 2026 Bond in every particular, without alteration or any change whatsoever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member of a nationally recognized Medallion Signature Guaranty Program acceptable to the Trustee.

BY: _____
Authorized Officer

[END OF SERIES 2026 BOND FORM]

2.7 Book-Entry Only System. The Series 2026 Bonds shall be initially issued in the form of a separate single fully registered Series 2026 Bond. Upon initial issuance, the ownership of such Series 2026 Bond shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, and except as provided in Section 2.8 hereof, all of the outstanding Series 2026 Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC. With respect to Series 2026 Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the Bank and the Trustee shall have no responsibility or obligation to any participant for whom DTC is a security depository nominee ("**DTC Participants**") or to any person on behalf of whom such a DTC Participant holds an interest in the Series 2026 Bonds. Without limiting the immediately preceding sentence, the Bank and the Trustee shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Series 2026 Bonds, (b) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown in the Bond Register, of any notice with respect to the Series 2026 Bonds, or (c) the payment to any DTC Participant or any other person, other than a Bondholder, as shown in the Bond Register, of any amount with respect to principal of, premium, if any, or interest on, the Series 2026 Bonds. Notwithstanding any other provision of this Indenture to the contrary, the Bank, the Trustee and each paying agent, if any, shall be entitled to treat and consider the person in whose name each Series 2026 Bond is registered in the Bond Register as the absolute owner of such Series 2026 Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Series 2026 Bond, for the purpose of giving notices and other matters with respect to such Series 2026 Bond, for the purpose of registering transfers with respect to such Series 2026 Bond, and for all other purposes whatsoever. The Trustee and each paying agent, if any, shall pay all principal of, premium, if any, and interest on the Series 2026 Bonds only to or upon the order of the respective Bondholders, as shown in the Bond Register as provided in this Indenture, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Bank's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2026 Bonds to the extent of the sum or sums so paid. No person other than a Bondholder, as shown in the Bond Register, shall receive a Series 2026 Bond certificate evidencing the obligation of the Bank to make payments of principal, premium, if any, and interest pursuant to this Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the Registered Owner at the close of business on the Record Date, the words "Cede & Co." in this Indenture shall refer to such new nominees of DTC; and upon receipt of such a notice the Trustee shall promptly deliver a copy of the same to each paying agent, if any.

2.8 Successor Securities Depository; Transfers Outside Book-Entry Only System. If the Bank determines that DTC is incapable of discharging its responsibilities described herein and DTC's Blanket Letter of Representations or that it is in the best interest of the Beneficial Owners of the Series 2026 Bonds that they be able to obtain certificated Series 2026 Bonds, the Bank shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Series 2026 Bond certificates to such successor securities depository or (b) notify DTC and DTC Participants of the availability through DTC of Series 2026 Bond certificates and transfer one or more separate Series

2026 Bond certificates to DTC Participants having Series 2026 Bonds credited to their DTC accounts. In such event, the Series 2026 Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Series 2026 Bonds shall designate, in accordance with the provisions of this Indenture.

2.9 Payments. Notwithstanding any other provision of this Indenture to the contrary, so long as any of the Series 2026 Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, premium, if any, and interest on such Series 2026 Bonds and all notices with respect to such Series 2026 Bonds shall be made and given, respectively, in the manner provided in DTC's Blanket Letter of Representations. The Trustee shall request in each notice sent to Cede & Co. pursuant to the terms of this Indenture that Cede & Co. forward or cause to be forwarded such notice to the DTC Participants.

ARTICLE 3

GENERAL TERMS AND PROVISIONS OF BONDS

3.1 Medium, Form and Place of Payment. The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be payable by check mailed on the Interest Payment Date to the Registered Owners as of the Record Date. Mandatory sinking fund redemption payments shall be payable by check mailed on the due date thereof to the Registered Owners as of the Record Date. The Bank may provide for the payment of interest and mandatory sinking fund redemption payments on Bonds to holders of \$1,000,000 or more in principal amount of Bonds by wire transfer or by such other method as is acceptable to the Trustee and the Bondholder upon written election of such Bondholder at least one Business Day prior to the applicable Record Date. The payment of principal at final maturity, or upon earlier optional redemption, will be made at the Principal Office of the Trustee upon presentation and surrender of the Bonds to be paid.

3.2 Legends. The Bonds may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, as determined by the Bank prior to the delivery thereof.

3.3 Execution. The Bonds shall be executed on behalf of the Bank with the manual or facsimile signature of its Executive Director, Secretary, President or Vice President and shall have impressed or imprinted thereon, by facsimile or otherwise, the official seal of the Bank, which seal shall be attested by the manual or facsimile signature of the Executive Director, Secretary or Assistant Secretary of the Bank. In case any officer of the Bank whose signature or whose facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Any Bond may be executed and attested on behalf of the Bank by such officer as at the time of the execution of such Bonds shall be duly authorized or hold the proper office of the Bank although at the date borne by the Bonds or at the date of delivery of the Bonds such officer may not have been so

authorized or have held such office.

3.4 Authentication. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless and until a certificate of authentication on such Bond substantially in the following form shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture:

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2026 Bonds issued and delivered pursuant to the provisions of the within mentioned Indenture.

THE PEOPLES BANK,
as Trustee

By: _____
Authorized Signatory

The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized representative or signatory of the Trustee, but it shall not be necessary that the same representative or signatory sign the certificate of authentication on all of the Bonds. The signature of the authorized representative or signatory of the Trustee shall be manual.

3.5 Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, the Bank shall execute and the Trustee shall authenticate a new Bond or Bonds of the same maturity and denomination, as that mutilated, lost, stolen or destroyed Bond; provided that in the case of any mutilated Bond, such Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to it. If any such Bond shall have matured or been called for redemption, instead of issuing and authenticating a duplicate Bond, the Trustee may pay the same without surrender thereof, provided, however, that in the case of a lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee together with indemnity satisfactory to it. The Trustee may charge the owner of such Bond its reasonable fees and expenses in connection with replacing any Bond mutilated, lost, stolen or destroyed. Any Bond issued pursuant to this Section 3.5 shall be deemed part of the original series of the Bonds in respect of which it was issued and a contractual obligation of the Bank replacing the obligation evidenced by such mutilated, lost, stolen or destroyed Bond.

3.6 Registration, Transfer and Exchange of Bonds; Persons Treated as Owners. The Bank shall cause records for the registration and for the transfer of the Bonds to be kept by the Trustee at its Principal Office, and the Trustee is hereby constituted and appointed the bond registrar of the Bank. At reasonable times and under reasonable regulations established by the Trustee, said records may be inspected by the Bank or by Beneficial Owners (or a designated representative thereof) of five percent (5%) or more in aggregate principal amount of the Bonds then Outstanding.

Upon surrender for transfer of any Bond at the Principal Office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the Registered Owner or his attorney duly authorized in writing, the Bank shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same maturity for a like aggregate principal amount. The Bonds may be transferred or exchanged without cost to the Bondholders except for any tax or governmental charge required to be paid with respect to the transfer or exchange. The execution by the Bank of any Bond of any denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such Bond.

The Trustee shall not be required (a) to register, transfer or exchange any Bond during a period of fifteen (15) days next preceding the mailing of a notice of redemption of any Bonds, or (b) to register, transfer or exchange any Bonds selected, called or being called for redemption in whole or in part after mailing notice of such call has been made.

The person in whose name a registered Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal and premium, if any, of such Bond, and interest thereon, 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 hereinabove 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.

All Bonds delivered upon any transfer or exchange shall be valid obligations of the Bank, evidencing the same debt as the Bonds surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.

3.7 Destruction of Bonds. Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Indenture or for replacement pursuant to Section 3.5 hereof, or upon payment in full of the principal or Redemption Price of and interest due on such Bond, such Bond shall be canceled and destroyed by the Trustee and a counterpart of a certificate of destruction evidencing such destruction shall be furnished by the Trustee to the Bank.

3.8 Nonpresentment of Bonds. If any Bond shall not be presented for payment when the principal thereof comes due at final maturity, or at the date fixed for the earlier optional redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee for the benefit of the Registered Owner thereof, all liability of the Bank to the Registered Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds for four (4) years, for the benefit of the Registered Owner of such Bond, without liability for interest thereon to such Registered Owner, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or on, or with respect to, said Bond.

Any money so deposited with and held by the Trustee not so applied to the payment of Bonds within four (4) years after the date on which the same shall become due shall be repaid by the Trustee to the Bank and thereafter the Bondholders shall be entitled to look only to the Bank for payment, and then only to the extent of the amount so repaid, and the Bank shall not be liable for

any interest thereon to the Bondholders and shall not be regarded as a trustee of such money.

3.9 Other Obligations Payable from Revenues. The Bank shall grant no liens or encumbrances on or security interests in the Trust Estate (other than those created by this Indenture) and, except for the Bonds, shall issue no bonds or other evidences of indebtedness payable from the Trust Estate.

3.10 Temporary Bonds. Until the definitive Bonds are ready for delivery, the Bank may execute, in the same manner as is provided in Section 3.3 hereof, and, upon the request of the Bank, the Trustee shall authenticate and deliver, one or more temporary Bonds, which shall be fully registered. Such temporary Bonds shall be subject to the same provisions, limitations and conditions as the definitive Bonds and shall be substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in the denomination of \$_____ or any integral multiple of \$_____ in excess thereof as authorized by the Bank, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Bank at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Indenture.

If the Bank shall authorize the issuance of temporary Bonds in more than one denomination, the owner of any temporary Bond or Bonds may, at his option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount and maturity of any other authorized denomination or denominations, and thereupon the Bank shall execute and the Trustee, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes and charges provided for in Section 3.6 hereof, shall authenticate and deliver a temporary Bond or Bonds of like aggregate principal amount and maturity in such other authorized denomination or denominations as shall be requested by such owner. All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

3.11 Limitations on Obligations of Bank. The Bonds, together with interest thereon, shall be limited obligations of the Bank payable solely from the Revenues and shall be a valid claim of the respective owners thereof only against the Funds and Accounts, other than the Rebate Fund and any Accounts created thereunder, established hereunder and the City Bond acquired by the Trustee, all of which are hereby assigned and pledged hereunder for the equal and ratable payment of the Bonds and shall be used for no other purpose than the payment of the Bonds, except as may be otherwise expressly authorized in this Indenture. The Bonds do not constitute a debt or liability or moral obligation of the State or of any political subdivision thereof under the constitution of the State or a pledge of the faith and credit or taxing power of the State or any political subdivision thereof, but shall be payable solely from the Revenues and funds pledged therefor in accordance with this Indenture including, without limitation, the avails of the full faith and credit of the City derived or to be derived from payments made in respect of the City Bond pursuant to the City Bond Resolution. The issuance of the Bonds under the provisions of the Act does not directly, indirectly or contingently, obligate the State or any political subdivision thereof other than the City to levy any form of taxation for the payment thereof or to make any appropriation for their payment and such Bonds and the interest payable thereon do not now and shall never

constitute a debt of the State or any political subdivision thereof within the meaning of the constitution of the State or the statutes of the State and do not now and shall never constitute a charge against the credit or taxing power of the State or any political subdivision thereof; provided, however, that the City Bond securing the Series 2026 Bonds is a general obligation of the City. Neither the State nor any agent, attorney, member or employee of the State or of the Bank shall in any event be liable for the payment of the principal of, and premium, if any, or interest on the Bonds or damages, if any, for the nonperformance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Bank. No breach by the Bank of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any of the State's or the Bank's agents, members, attorneys, and employees or any charge upon the general credit of the State or a charge against the taxing power of the State or any political subdivision thereof. In the Act, the State has pledged and agreed with the holders of any Bonds that the State will not limit or alter the rights hereby vested in the Bank to fulfill the terms of any agreements made with the said Bondholders or in any way impair the rights and remedies of such holders until such Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders of Bonds, are fully met and discharged.

3.12 Immunity of Officers and Directors. No recourse shall be had for the payment of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained against any past, present or future officer, member, director, agent or employee of the Bank or any officer, member, director, trustee, agent or employee of any successor entities thereto, as such, either directly or through the Bank or any successor entities, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, directors, trustees, agents or employees as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and issuance of such Bonds.

ARTICLE 4

REDEMPTION OF BONDS PRIOR TO MATURITY

4.1 Redemption and Redemption Prices and Terms for Series 2026 Bonds. The Series 2026 Bonds are subject to redemption as provided herein.

(a) **Optional Redemption.** The Series 2026 Bonds are subject to redemption prior to their stated date of maturity, in whole or in part, in principal amounts and maturities as selected by the Bank on any date on or after ____ 1, 20____, at par plus accrued interest to the date of redemption thereof. If the City directs the Bank so to redeem all or a portion of the Series 2026 Bonds pursuant to Section 5 of the City Bond Resolution, the Bank agrees to follow such direction.

(b) **[Mandatory Sinking Fund Redemption.** The Series 2026 Bonds maturing on _____ 1, 20____, are term bonds subject to mandatory sinking fund redemption prior to their scheduled maturity on _____ 1 of the years listed below at a redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date from amounts on deposit in the General Account of the General Fund in accordance with the following schedule:

Year	Principal Amount
	\$]

4.2 Redemption at the Election or Direction of the Bank. In the event of the receipt of a direction from the City in accordance with Section 5(c) of the City Bond Resolution to redeem all or any portion of the Series 2026 Bonds, the Bank shall give written notice to the Trustee of its direction so to redeem, of the redemption date, of the principal amounts of the Series 2026 Bonds of each maturity to be redeemed (which maturities and principal amounts thereof to be redeemed shall be determined by the Bank at the direction of the City, subject to any limitations with respect thereto contained in the Act or this Indenture), and of the monies to be applied to the payment of the Redemption Price. Such notice shall be given not less than thirty (30) days nor more than forty-five (45) days prior to the redemption date or such shorter period as shall be acceptable to the Trustee and may be conditioned upon receipt of sufficient funds to redeem the Series 2026 Bonds called for redemption on the redemption date. The Bank shall pay or cause to be paid to the Trustee an amount in cash which, in addition to other monies, if any, available therefor and held by the Trustee, will be sufficient to redeem, on the redemption date at the Redemption Price thereof, together with accrued interest thereon to the redemption date, all of the Series 2026 Bonds to be redeemed.

4.3 Selection of Series 2026 Bonds to be Redeemed. If less than all of the Series 2026 Bonds are to be redeemed, the Series 2026 Bonds shall be redeemed only in whole multiples of \$_____. For purposes of redemption, each \$_____ of principal shall be considered as a Series 2026 Bond. If less than all of the Series 2026 Bonds shall be called for redemption, the principal amount and maturity of the Series 2026 Bonds to be redeemed shall be selected by the Bank at the direction of the City and the Trustee shall select the particular Series 2026 Bonds to be redeemed by lot within a maturity in such manner as the Trustee may determine. In accordance with DTC's standard practices and its agreement with the Bank, DTC and the DTC Participants will make this selection so long as the Series 2026 Bonds are in book-entry only form.

4.4 Redemption Payments. The Trustee is hereby authorized and directed to apply funds deposited with the Trustee by or on behalf of the Bank in an amount sufficient to pay the Redemption Price of the Series 2026 Bonds or portions thereof called, together with accrued interest thereon to the redemption date. If proper notice of redemption by mailing has been given as provided in Section 4.5 hereof and sufficient funds for redemption shall be on deposit with the Trustee as aforesaid, interest on the Series 2026 Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption. No payment shall be made by the Trustee upon any Series 2026 Bond or portion thereof called for redemption pursuant to Section 4.2 hereof until such Series 2026 Bond or portion thereof shall have been delivered for payment or cancellation or the Trustee shall have received the items required by Section 3.5 hereof with respect to any mutilated, lost, stolen or destroyed Series 2026 Bond.

4.5 Notice of Redemption. Notice of the call for any redemption, identifying the Series 2026 Bonds to be redeemed (which may be a conditional notice of redemption), shall be given by the Trustee by mailing a copy of the redemption notice by registered or certified mail at least thirty (30) days but not more than forty-five (45) days prior to the date fixed for redemption to the Registered Owner of each Series 2026 Bond to be redeemed at the address shown on the Bond Register. Failure to give such notice by mailing to any Bondholder or any defect in such notice,

shall not affect the validity of any proceeding for the redemption of any other Series 2026 Bonds.

4.6 Cancellation. All Series 2026 Bonds which have been redeemed in full shall not be reissued but shall be canceled and destroyed by the Trustee in accordance with Section 3.7 hereof.

ARTICLE 5

GENERAL COVENANTS

5.1 Payment of Principal and Interest. The Bank covenants and agrees that it will promptly pay the principal of and premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof, provided that the principal, Redemption Price and interest are payable by the Bank solely from Revenues and any other funds or assets of the Bank hereinafter pledged to the Trustee as security by the Bank to the extent of that pledge.

5.2 Performance of Covenants by Bank. The Bank covenants and agrees that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture and in every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining thereto. The Bank covenants and agrees that it is duly authorized under the constitution and laws of the State, including particularly the Act, to issue the Bonds authorized hereby and to execute this Indenture and to pledge the Revenues and all other property hereby pledged in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken, and that the Bonds in the hands of the owners thereof are and will be valid and enforceable limited obligations of the Bank according to the terms thereof and hereof.

5.3 Instruments of Further Assurance. The Bank covenants and agrees that the Trustee may defend its rights to the payment of the Revenues for the benefit of the owners of the Bonds against the claims and demands of all persons whomsoever. The Bank covenants and agrees that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, pledging, assigning and confirming unto the Trustee all and singular the rights assigned hereby and the amounts and other property pledged hereby to the payment of the principal of and premium, if any, and interest on the Bonds.

5.4 [RESERVED].

5.5 Covenants Concerning Program.

(a) In order to provide for the payment of the principal of and premium, if any, and interest on the Bonds and Program Expenses, the Bank shall from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act, the provisions of this Indenture and sound banking practices and principles, to the extent necessary to provide for the payment of the Bonds, (i) do all such acts and things as shall be necessary to receive and collect Revenues (including enforcement of the prompt collection of all arrears on the City Bond), and (ii)

diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Bank to protect its rights with respect to or to maintain insurance on the City Bond (if any) and to enforce all terms, covenants and conditions of the City Bond including the collection, custody and prompt application of all payments and deposits required by the terms of the City Bond for the purposes for which they were made.

(b) Whenever necessary in order to provide for the payment of debt service on the Bonds, the Bank shall commence appropriate remedies with respect to the City Bond if it is in default.

5.6 Possession and Inspection of City Bond. The Trustee covenants and agrees to retain or cause its agent to retain possession of the City Bond and a copy of the transcript or documents related thereto and release them only in accordance with the provisions of this Indenture. The Bank and the Trustee covenant and agree that all records and documents in their possession relating to the City Bond shall at all times be open to inspection by such accountants or other agencies or persons as the Bank or the Trustee may from time to time designate.

5.7 Accounts and Reports. The Bank covenants and agrees to keep proper records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Program, the City Bond and the Funds and Accounts established by this Indenture. Such records, and all other records and papers of the Bank, and such Funds and Accounts shall at all reasonable times be subject to the inspection of the Trustee and the Beneficial Owners of an aggregate of not less than five percent (5%) in principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

The Trustee covenants and agrees, if requested, to provide to the Bank prior to the twentieth day of the month following the end of each six-month period, commencing with the period ending _____ 1, 202__, a statement of the amount on deposit in each Fund and Account as of the first day of that month and of the total deposits to and withdrawals from each Fund and Account during the preceding six-month period.

The reports, statements and other documents required to be furnished to or by the Trustee pursuant to any provision of this Indenture shall be provided to the Beneficial Owners of an aggregate of not less than five percent (5%) in principal amount of the Bonds then Outstanding who file or have filed a written request therefor with the Trustee with any such costs of such documents to be paid by the Bondholder.

5.8 Bank Covenants with Respect to City Bond.

(a) The Bank covenants and agrees that it will not permit or agree to any material change in the City Bond.

(b) The Bank covenants and agrees that it will enforce or authorize the enforcement of all remedies available to owners or holders of the City Bond, provided, however, that decisions as to the enforcement of remedies shall be within the sole discretion of the Trustee as set forth in Article 10 hereof.

(c) The Bank covenants and agrees that it will not sell or dispose of the City Bond.

5.9 [RESERVED]

5.10 Monitoring Investments. The Bank covenants and agrees to regularly review the investments held by the Trustee in the Funds and Accounts for the purpose of assuring that the Revenues derived from such investments are sufficient to provide, with other anticipated Revenues, the debt service on Outstanding Bonds.

5.11 [RESERVED]

5.12 [RESERVED]

5.13 Covenants Concerning Preservation of Tax Exemption. The Bank hereby covenants and agrees to take all qualifying actions and to not fail to take any qualifying actions which are necessary in order to protect and preserve the exclusion from gross income for federal income tax purposes of the interest on the Series 2026 Bonds.

ARTICLE 6

REVENUES AND FUNDS

6.1 Source of Payment of Bonds. The Bonds and all payments by the Bank hereunder are limited obligations of the Bank payable solely out of the Trust Estate as authorized by the constitution and statutes of the State, including particularly the Act and this Indenture, as provided herein.

6.2 Creation of Funds. There are hereby created by the Bank and ordered established the following funds to be held by the Trustee: (a) the General Fund; and (b) the Rebate Fund. There is hereby created and established in the General Fund a "General Account," "Bond Issuance Expense Account," "Redemption Account," and "Purchase Account." Upon the written request of the Bank, the Trustee shall establish and maintain hereunder such additional Funds, Accounts or subaccounts as the Bank may specify from time to time to the extent that in the judgment of the Trustee the establishment of such Fund or Account is not to the material prejudice of the Trustee or the Bondholders.

6.3 Deposit of Net Proceeds of Bonds.

(a) The Trustee shall deposit the proceeds from the sale of the Series 2026 Bonds in the manner provided in Section 2.2 hereof.

(b) The Trustee shall deposit the proceeds of any Refunding Bonds in the manner provided in the Supplemental Indenture authorizing the issuance thereof.

6.4 Deposit of Revenues and Other Receipts. Upon receipt of any Revenues or other receipts (except the proceeds of the Bonds and moneys received upon sale or redemption prior to maturity of the City Bond), the Trustee shall deposit such amounts into the General Account of the General Fund or such other applicable Fund or Account.

6.5 Operation of General Account. The Trustee shall deposit in the General Account of the General Fund all amounts required to be deposited therein pursuant to the provisions of this Article 6 and Section 2.2. The Trustee shall invest funds in the General Account in accordance with Article 8 hereof and shall make the following payments from the General Account on the specified dates and, if there are not sufficient funds to make all the payments required, with the following order of priority:

(a) On or before three (3) Business Days next preceding each Interest Payment Date of any series of Bonds, to the Paying Agent such amount (including Investment Securities held by Trustee maturing or callable on or before the applicable Interest Payment Date) as shall be necessary to pay the principal and interest coming due on the Outstanding Bonds of such series on such Interest Payment Date, including any delinquent payments that have not previously been satisfied, and the Paying Agent in turn shall apply such amount to pay when due to the Bondholders entitled thereto the principal and interest then due on the Outstanding Bonds of such series;

(b) At such times as shall be necessary, to pay Program Expenses;

(c) Upon the direction of the City, with notice to the Bank, the amounts, if any, directed to be transferred to the Rebate Fund as provided in Section 6.11 hereof; and

(d) After making such payments in paragraphs (a) through (c) above, the Trustee shall make a determination of the amounts reasonably expected to be received in the form of City Bond Payments in the succeeding twelve (12) months and shall transfer all monies in the General Account which, together with such expected receipts for the succeeding 12 months, are in excess of the amounts needed to pay principal and interest on the Series 2026 Bonds within the immediately succeeding twelve month period, to the City at the request of the City with the prior written approval of the Bank.

6.6 Operation of the Redemption Account. The Trustee shall deposit in the Redemption Account all moneys received upon the sale or redemption prior to maturity of the City Bond and all other moneys required to be deposited therein pursuant to the provisions of Article 4 and Article 6 hereof, shall invest such funds pursuant to Article 8 hereof and shall disburse the funds held in the Redemption Account as follows: moneys in the Redemption Account shall be used to redeem Bonds called for redemption. Such redemption shall be made pursuant to a redemption under the provisions of Article 4 hereof. The Trustee shall pay the Redemption Price of the Bonds called for redemption, together with accrued interest thereon to the redemption date, from the Redemption Account. Any surplus funds in the Redemption Account after the date of redemption of the Bonds called for redemption shall be returned to the City.

6.7 Operation of the Purchase Account. The Trustee shall deposit in the Purchase Account all moneys required to be deposited therein pursuant to the provisions of Section 2.2 and Article 6 hereof, shall invest such funds pursuant to Article 8 hereof, and shall disburse the funds held in the Purchase Account to purchase the City Bond in accordance with the procedures established by the Bank as set forth in Article 7 hereof upon the submission of requisitions of the Bank signed by an Authorized Officer stating that all requirements with respect to such financing set forth in this Indenture have been or will be complied with. Upon purchase of the City Bond, the Trustee will transfer the purchase price to the 2026 Construction Fund of the City established under the City Bond Resolution, which fund will be used by the City to finance the

Construction Project. Any amounts remaining in the Purchase Account three years after the purchase of the City Bond shall be transferred to the Redemption Account for the redemption of the Series 2026 Bonds.

6.8 [RESERVED]

6.9 [RESERVED]

6.10 Operation of Bond Issuance Expense Account. The Trustee shall deposit in the Bond Issuance Expense Account the moneys required to be deposited therein pursuant to Section 2.2 of this Indenture, shall invest such funds pursuant to Article 8 hereof and shall disburse the funds held in the Bond Issuance Expense Account as follows:

(a) Upon receipt of acceptable invoices and the written authorization of the Mayor, the Municipal Clerk and/or the President of the City Council of the City and the Executive Director of the Bank, to pay the Costs of Issuance of the Series 2026 Bonds or to reimburse the Bank for amounts previously advanced for such costs; and

(b) On the date which is sixty (60) days after the date of issuance of the Series 2026 Bonds, any funds remaining in the Bond Issuance Expense Account shall be transferred to the General Account of the General Fund.

6.11 Operation of the Rebate Fund.

(a) The Trustee is authorized to establish and maintain, so long as any Series 2026 Bonds are outstanding and are subject to a requirement that arbitrage profits be rebated to the United States of America, a separate fund to be known as the "Rebate Fund." The Trustee shall make information regarding the Series 2026 Bonds and investments hereunder available to the Bank and shall make deposits and disbursements from the Rebate Fund in accordance with written instructions from the City, with notice to the Bank, shall invest the Rebate Fund as directed by the City, with notice to the Bank, and shall deposit income from such investments immediately upon receipt thereof in the Rebate Fund.

(b) If a deposit to the Rebate Fund is required, the Trustee shall, upon receipt of direction from the City, with notice to the Bank, accept such payment for the benefit of the Bank and make transfers of moneys from the General Account or otherwise to the Rebate Fund to comply with such direction. If amounts in excess of that required to be rebated to the United States of America accumulate in the Rebate Fund, the Trustee shall, upon direction from the City, with notice to the Bank, transfer such amount to the General Account. Records of the determinations required by this Section and the Tax Certificate and the investment instructions must be retained by the Trustee until six (6) years after the Series 2026 Bonds are no longer Outstanding.

(c) Not later than sixty (60) days after _____, 2031 and every five (5) years thereafter, the Trustee shall, upon written request of the City, with notice to the Bank, pay from the Rebate Fund to the United States of America one hundred percent (100%) of the amount required to be paid to the United States of America as of such payment date to the extent of funds available in the Rebate Fund as of such payment date. Not later than sixty (60) days after the final retirement of the

Series 2026 Bonds, the Trustee shall, upon written request of the City, with notice to the Bank, pay to the United States of America from the Rebate Fund (to the extent of funds available therein) one hundred percent (100%) of the amount owing to the United States of America to comply with Section 148(f)(2) of the Code with respect to the Series 2026 Bonds. Each payment required to be paid to the United States of America pursuant to this Section shall be filed with the appropriate Internal Revenue Service Center. Each payment shall be accompanied by a copy of the Form 8038-G originally filed with respect to the Series 2026 Bonds and a statement of the City or the Bank summarizing the determination of the amount to be paid to the United States of America.

(d) With respect to the Rebate Fund, anything to the contrary in this Indenture notwithstanding, the Bank may direct the Trustee to proceed other than as set forth above by delivering to the Trustee written instructions accompanied by an Opinion of Bond Counsel to the effect that compliance with such instructions will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2026 Bonds.

6.12 Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Trustee for the account of any Fund or Account established under any provision of this Indenture shall be held by the Trustee in trust and applied in accordance with the provisions of this Indenture, except for moneys held pursuant to the Rebate Fund and any Accounts created thereunder and except to the extent otherwise provide in this Indenture with respect to moneys deposited with or paid to the Trustee for the redemption of Bonds, notice of the redemption of which has been duly given. Such moneys shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the security interest created hereby and shall not be subject to any lien or attachment by any creditor of the Bank.

6.13 Amounts Remaining in Funds or Accounts. Any amounts remaining in any Fund or Account after full payment of the Bonds and the fees, charges (including any required rebate to the United States of America) and expenses of the Trustee and all other amounts due and owing hereunder shall be distributed to the City, except for any moneys owing to the Bank which shall be paid to such party and except as provided in Section 3.8 hereof.

6.14 Certain Verifications. The Bank and/or the Trustee from time to time may cause a firm of independent certified public accountants of national standing or other nationally recognized experts to supply the Bank and the Trustee with such information as the Bank or the Trustee may request in order to determine in a manner reasonably satisfactory to the Bank and the Trustee all matters relating to (a) the sufficiency of projected cash flow receipts and disbursements with respect to the Funds and Accounts to pay the principal of and interest on the Bonds and Program Expenses; (b) the actuarial yields on the Outstanding Series 2026 Bonds as the same may relate to any data or conclusions necessary to verify that the Series 2026 Bonds are not arbitrage bonds within the meaning of Section 148 of the Code; (c) the yields on any obligations acquired and held by the Bank and/or the Trustee; and (d) the rebate calculation required by Section 6.11 hereof. The Bank and/or the Trustee from time to time may also obtain an Opinion of Bond Counsel concerning post-issuance compliance with any federal legislation applicable to the Bonds. The fees of such independent certified public accountants and Bond Counsel shall constitute reimbursable Program Expenses.

ARTICLE 7

PURCHASE OF CITY BOND

7.1 Terms and Conditions of Purchase. The City Bond purchased by the Bank shall be purchased on the terms and conditions of, and upon submission of, the documents required by this Article 7.

7.2 Purchase Price. The Trustee shall pay the purchase price of the City Bond upon receipt by the Trustee of:

(a) a written requisition of the Bank signed by an Authorized Officer stating to whom payment is to be made and the amount to be paid;

(b) a certificate signed by an officer of the Bank attached to or included in the requisition and certifying that the City, pursuant to the City Bond Purchase Agreement, has sold or will sell the City Bond to the Bank and is obligated to make City Bond Payments and to pay all fees and charges required to be paid to the Bank under the City Bond Resolution, and that to the knowledge of such officer, the City is not in default under the payment terms or other material terms or provisions of any other obligations of the City;

(c) a certified transcript of proceedings authorizing the issuance, execution and delivery of the City Bond, which transcript shall contain the certifications required by the Act and such other certifications and representations which are reasonable and appropriate as determined by the Bank or Trustee;

(d) an Opinion of Bond Counsel in form satisfactory to the Bank stating that the City Bond constitutes a valid and binding obligation enforceable in accordance with its terms, subject to such enforcement limitations customarily contained in such opinions;

(e) the City Bond registered as to both principal and interest to the Bank and delivered in accordance with the Act;

(f) an opinion of counsel for the City in form satisfactory to the Bank stating that such City is a Local Governmental Unit within the meaning of the Bank Act;

(g) a signed City Bond Purchase Agreement from the City; and

(h) an executed Tax Certificate of the City and of the Bank.

Upon receipt of such requisition, transcript, Opinion of Bond Counsel, City Bond and signed documents, the Trustee shall deposit such amount into the Purchase Account for distribution as provided in Section 2.2 and as directed in such requisition.

7.3 Retention and Inspection of Documents. All requisitions, certificates, transcripts, Opinions of Bond Counsel and the City Bond received by the Trustee, as required in this Article as conditions of payment, may be relied upon by and shall be retained in the possession of the Trustee, subject at all times during normal business hours to the inspection of the Bank and, after written

request received by the Trustee at least five (5) Business Days prior to the date of inspection, by any Beneficial Owner of at least five percent (5%) in principal amount of Outstanding Bonds.

7.4 Report. The Bank may require a report to be made by an officer or employee of the Trustee on behalf of the Trustee within sixty (60) days after the delivery of the Bonds covering all receipts and all disbursements made pursuant to the provisions of this Article 7 in respect of the net proceeds of the Bonds deposited in the Purchase Account. Said report shall be supplemented at least once every sixty (60) days by the Trustee until all of the net proceeds of the Bonds deposited in the Purchase Account shall have been expended. Each such report shall be mailed by the Trustee to the Bank.

ARTICLE 8

INVESTMENT OF MONEYS

8.1 General Provisions.

(a) Any moneys held as part of any Fund or Account created under or pursuant to Article 6 hereof and the Rebate Fund shall be invested or reinvested by the Trustee as continuously as reasonably possible in such Investment Securities as may be directed in writing by the City. All such investments shall at all times be a part of the Fund or Account in which the moneys used to acquire such investments had been deposited and, except as provided in Article 6, all income and profits on such investments, other than from moneys on deposit in the Rebate Fund or any Account created thereunder, shall be deposited as received in the General Account. The Trustee may make any and all such investments through its investment department or through the investment department of any financial institution which is an affiliate of the Trustee and may trade with itself or any of its affiliates in doing so. Moneys in separate Funds and Accounts may not be commingled for the purpose of investment or deposit. The Trustee and the Bank agree that all investments, and all instructions of the Bank or the City to the Trustee with respect thereto, shall be made in accordance with prudent investment standards reasonably expected to produce the greatest investment yields while seeking to preserve principal without causing any of the Bonds, the interest on which is intended to be excludable from gross income for federal income tax purposes, to be arbitrage bonds as defined in Section 148 of the Code. Any investment losses shall be charged to the Fund or Account in which moneys used to purchase such investment had been deposited. For so long as the Trustee is in compliance with the provisions of this Section 8.1, the Trustee shall not be liable for any investment losses. Moneys in any Fund or Account shall be invested in Investment Securities with a maturity date or a redemption date which shall coincide as nearly as practicable with times at which moneys in such Funds or Accounts will be required for the purposes thereof. The Trustee shall sell and reduce to cash a sufficient amount of such investments in the respective Fund or Account whenever the cash balance therein is insufficient to pay the amounts contemplated to be paid therefrom at the time those amounts are to be paid.

(b) The Bank (i) certifies to the owners of the Bonds from time to time Outstanding that moneys on deposit in any Fund or Account in connection with the Bonds of any series, whether or not such moneys were derived from the proceeds of the sale of such series of Bonds or from any other sources, are not intended to be used in a manner which will cause the interest on the such series of Bonds to lose the exclusion from gross income for federal income tax purposes, and (ii) covenants with the owners of each series of Bonds from time to time Outstanding that, so long as any of such

series of Bonds remain Outstanding, moneys on deposit in any Fund or Account established in connection with such series of Bonds, whether or not such moneys were derived from the proceeds of the sale of such series of Bonds or from any other source, will not be used in any manner which will cause the interest on such series of Bonds to be included in gross income for federal income tax purposes. This Section 8.1(b) will not apply to any series of Bonds the interest on which is not intended to be excludable from gross income for federal income tax purposes.

8.2 Arbitrage Restrictions; Bonds to Remain Tax Exempt. The Bank covenants and agrees that it will not take any action or fail to take any action with respect to the investment of the proceeds of any series of Bonds, or with respect to the investment or application of any payments under the City Bond or any other agreement or instrument entered into in connection therewith or with the issuance of any series of Bonds, including but not limited to the obligation, if any, to rebate certain funds to the United States of America, which would result in constituting such series of Bonds arbitrage bonds within the meaning of Section 148 of the Code. The Bank further agrees that it will not act in any other manner which would adversely affect the exclusion from gross income tax for federal income tax purposes of the interest on the Bonds. This Section will not apply to any series of Bonds the interest on which is not intended to be excludable from gross income for federal income tax purposes.

8.3 Valuation of Investments. For the purpose of determining the amount in any Fund or Account, all Investment Securities credited to such Fund or Account shall be valued at the lesser of (a) the average of the bid and asked prices most recently published prior to the date of determination for those Investment Securities, the bid and asked prices of which are published on a regular basis in The Wall Street Journal, or, if not there, in The New York Times; or (b) the average bid price as of the date of determination by any two nationally recognized government securities dealers selected by the Trustee for those Investment Securities the bid and asked prices of which are not published on a regular basis as set forth in subsection (a) above; or (c) par value (plus, prior to the first payment of interest following purchase, the amount of any accrued interest paid as part of the purchase price) for Investment Securities which are certificates of deposit and bankers acceptances; or (d) for all other Investment Securities the lesser of cost or market value (exclusive of accrued interest paid as part of the purchase price after the first payment of interest following purchase); provided, however, that any repurchase agreements shall be valued, respectively, at the unpaid repurchase price or principal balance collectible pursuant thereto.

ARTICLE 9

DISCHARGE OF INDENTURE

Except as provided in this Article 9, if payment or provision for payment is made, to the Trustee, of the principal of and interest due and to become due on the Bonds at the times and in the manner stipulated therein, and there is paid or caused to be paid to the Trustee all sums of money due and to become due according to the provisions hereof, and all other amounts due hereunder have been paid in full, then these presents and the Trust Estate and rights hereby granted shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the Bank such instruments in writing as shall be requisite to cancel and discharge the lien hereof, and release, assign and deliver unto the Bank any and all estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee hereby or otherwise subject to the lien of this Indenture, except moneys or securities held by the Trustee for the payment of the principal of and premium, if any, and interest on the Bonds.

Any Bond shall be deemed to be paid within the meaning of this Indenture when (a) payment of the principal of and premium, if any, on such Bond and interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture or otherwise), either (i) shall have been made or caused to have been made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee or other financial institution (which must meet the requirements of Section 11.7 hereof) which provides services as escrow agent for the Bank (for purposes of this Article, an "Escrow Agent"), in trust and exclusively for such payment, (A) moneys sufficient to make such payment or (B) Governmental Obligations maturing as to principal and interest in such amounts and at such times, without consideration of any reinvestment thereof, as will insure the availability of sufficient moneys to make such payment, or (C) a combination of such moneys and Governmental Obligations, and (b) all necessary and proper fees and expenses of the Trustee pertaining to the Bonds, including the amount, if any, required to be rebated to the United States of America in accordance with the Tax Certificate and Section 6.11 hereof, with respect to which such deposit is made shall have been paid or deposited with the Trustee.

Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Bank shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted by this Indenture);

(b) to call for redemption pursuant to this Indenture any Bonds to be redeemed prior to maturity pursuant to (a) hereof; and

(c) to mail, as soon as practicable, in the manner prescribed by Article 4 hereof, a notice to the owners of such Bonds that the deposit required by (b) of the preceding paragraph has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of or Redemption Price, if applicable, on said Bonds as specified in subparagraph (a) of this paragraph; provided, however, such notice can be given in advance of such deposit if such funds represent sufficient funds in the form of cash for the payment of principal of, premium, if any, and interest on the Bonds to be paid prior to their due date by reason of maturity or upon redemption within ninety (90) days of the delivery date of the Bonds.

Any moneys so deposited with the Trustee or the Escrow Agent as provided in this Article may at the direction of the Bank also be invested and reinvested in Governmental Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Governmental Obligations in the hands of the Trustee pursuant to this Article which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the General Account, as and when and collected for use and application as are other moneys deposited in the General Account.

Notwithstanding any provision of any other Article of this Indenture which may be contrary to the provisions of this Article, all moneys or Governmental Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest thereon but excluding any amounts set aside for rebate to the United States of America in accordance with the Tax Certificate and Section 6.11 hereof) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or obligations have been so set aside in trust.

Upon the deposit with the Trustee or Escrow Agent, in trust, at or before maturity, of money or Governmental Obligations in the necessary amount to pay or redeem all Outstanding Bonds as aforesaid (whether upon or prior to their maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as hereinabove provided, or provisions satisfactory to the Trustee shall have been made for the giving of such notice, and compliance with the other payment requirements hereof, this Indenture may be discharged in accordance with the provisions hereof but the limited liability of the Bank in respect of such Bonds shall continue provided that the owners thereof shall thereafter be entitled to payment only out of the moneys or Governmental Obligations deposited with the Trustee or Escrow Agent as aforesaid.

ARTICLE 10

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

10.1 Defaults; Events of Default. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "Event of Default":

- (a) Default in the due and punctual payment of any interest on any Bond; or
- (b) Default in the due and punctual payment of the principal or redemption premium, if any, of any Bond whether at the stated maturity thereof or on any date fixed for redemption; or
- (c) Failure of the Bank to remit to the Trustee within the time limits prescribed herein any moneys which are required by this Indenture to be so remitted; or
- (d) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Bank contained in this Indenture or in the Bonds and failure to remedy the same within the time provided in, and after notice thereof pursuant to, Section 10.10 hereof; or
- (e) Any warranty, representation or other statement by or on behalf of the Bank contained in this Indenture or in any instrument furnished in compliance with or in reference to this Indenture is false or misleading, when made, in any material respect, and failure to remedy the same within the time provided in, and after notice thereof pursuant to, Section 10.10; or
- (f) A petition is filed against the Bank under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction

whether now or hereafter in effect and is not dismissed within sixty (60) days after such filing; or

(g) The Bank files a petition in voluntary bankruptcy or seeking relief under any provisions of any bankruptcy, reorganization, arrangement, insolvency, adjustment of debt, dissolution or liquidation law of any jurisdiction whether now or hereafter in effect, or consents to the filing of any petition against it under such law; or

(h) The Bank is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt, or makes an assignment for the benefit of creditors, or a liquidator or trustee of the Bank or any of its property is appointed by court order or takes possession of such property and such order remains in effect or such possession continues for more than 60 days; or

(i) Default in the due and punctual payment of any interest on any City Bond; or

(j) Default in the due and punctual payment of the principal or redemption premium, if any, of any City Bond whether at the stated maturity thereof or on any date fixed for redemption; or

(k) The Bank for any reason shall be rendered incapable of fulfilling its obligations under this Indenture; or

(l) There is an event of default under the City Bond Resolution.

10.2 Remedies: Rights of Bondholders. Upon the occurrence of an Event of Default, the Trustee shall notify the owners of all Bonds then Outstanding of such Event of Default by registered or certified mail, and will have the following rights and remedies:

(a) The Trustee may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the Bonds then Outstanding, including enforcement of any rights of the Bank or the Trustee under the City Bond.

(b) The Trustee may by action or suit in equity require the Bank to account as if it were the trustee of an express trust for the holders of the Bonds and may take such action with respect to the City Bond as the Trustee deems necessary or appropriate and in the best interest of the Bondholders, subject to the terms of the City Bond.

(c) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Bondholders under this Indenture, the Trustee will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the Revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

(d) The Trustee may declare the principal of and accrued interest on all Bonds to be due and payable immediately in accordance with this Indenture and the Act, by notice to the Bank and the City and as otherwise required by the Act.

Upon the occurrence of an Event of Default, (a) if requested so to do by the holders of

twenty-five percent (25%) or more in aggregate principal amount of all Bonds then Outstanding and if indemnified as provided in Section 11.1(k) hereof, or (b) if indemnified as provided in Section 11.1(k) hereof, the Trustee shall be obligated to exercise such one or more of the rights, remedies and powers conferred by this Section as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Bondholders.

No right or remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

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

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

10.3 Rights of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, subject to Section 13.1 herein, the Beneficial Owners of a majority in aggregate principal amount of Bonds then Outstanding shall have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law, including the Act, and of this Indenture.

10.4 Appointment of Receivers. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the Revenues, issues, earnings, income, products and profits thereof, pending such proceedings with such powers as the court making such appointment shall confer.

10.5 Application of Moneys. All moneys received by the Trustee pursuant to any right or remedy given or action taken under the provisions of this Article (including moneys received by virtue of action taken under provisions of the City Bond) shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee and any other moneys owed to the Trustee hereunder, be deposited in the General Account and all moneys in such Accounts shall be applied as follows:

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

FIRST - To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, including interest on any past due principal of any Bond at the rate borne by such Bond, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to such payment ratably, according to the amounts due on such installments, to the persons entitled thereto, without any discrimination or privilege;

SECOND - To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due either at maturity or pursuant to a call for redemption (other than Bonds called for redemption for the payment of which other moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of Bonds due on any particular date, together with such interest, then to such payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege;

THIRD - To be held for the payment to the persons entitled thereto as the same shall become due of the principal of and interest on the Bonds which may then become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full the principal of and interest on Bonds due on any particular date, such payment shall be made ratably according to the amount of principal and interest due on such date to the persons entitled thereto without any discrimination or privilege.

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

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

Whenever all principal of and interest on all Bonds have been paid under the provisions of this Section and all expenses and charges of the Trustee have been paid and all other amounts due hereunder have been paid in full, any balance remaining in the General Account shall be paid as provided in Article 6 hereof.

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

10.7 Rights and Remedies of Bondholders. No owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) a Default has occurred, (b) such Default shall have become an Event of Default and the Beneficial Owners of not less than twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the remedies hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) such Beneficial Owners of Bonds have offered to the Trustee indemnity as provided in Section 11.1(k) hereof, and (d) the Trustee has refused, or for sixty (60) days after receipt of such request and offer of indemnification has failed, to exercise the remedies hereinbefore granted or to institute such action, suit or proceeding in its own name; and such request and offer of indemnity are hereby declared in every case at the option of Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its, his, her or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the owners of all Bonds then Outstanding. However, nothing contained in this Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of, premium, if any, and interest on any Bond at and after the maturity thereof, or the limited obligation of the Bank to pay the principal of, premium, if any, and interest on each of the Bonds issued hereunder to the respective owners thereof at the time and place, from the source and in the manner expressed in the Bonds.

10.8 Termination of Proceedings. If the Trustee or any owner of any Bonds shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Bank, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and with regard to the property herein subject to this Indenture, and all rights, remedies and powers of the Trustee and the owners of Bonds shall continue as if no such proceedings had been taken.

10.9 Waivers of Events of Default. The Trustee may at its discretion waive any Event of Default hereunder and its consequences, and shall do so upon the written request of the Beneficial Owners of (a) more than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of all the Bonds then Outstanding in respect of which an Event of Default in the payment of principal or interest exists, or (b) more than fifty percent (50%) in aggregate principal amount of all Bonds then Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (x) any Event of Default in the payment of the principal of any Outstanding Bond at the date of maturity specified therein or (y) any Event of Default in the payment when due of the interest on any Outstanding Bond unless prior to such waiver all of the interest or all payments of principal when due, as the case may be, with interest on overdue principal at the rate borne by such Bond, and all expenses of the Trustee in connection with such Event of Default shall have been paid or provided for, or (z) any Event of Default for nonpayment of Program Expenses; and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Bank, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver or recession shall extend to any subsequent or other Event of Default, or impair any rights consequent thereon.

10.10 Notice of Defaults under Section 10.1(d) or (e); Opportunity of the Bank to Cure Such Defaults. Anything herein to the contrary notwithstanding, no Default under Section 10.1(d) or (e) hereof shall constitute an Event of Default until actual notice of such Default by registered or certified mail shall be given to the Bank by the Trustee and the Bank shall have had sixty (60) days after receipt of such notice to correct the Default or cause the Default to be corrected, and shall not have corrected the Default or caused the Default to be corrected within the applicable period; provided, however, if the Default be such that it is correctable but cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Bank within the applicable period and diligently pursued until the Default is corrected. If a Default is cured under this Section 10.10, then it will not constitute an Event of Default.

With regard to any alleged Default concerning which notice is given to the Bank under the provisions of this Section, the Bank hereby grants to the Trustee full authority for the account of the Bank to perform any covenant or obligation the failure of performance which is alleged in said notice to constitute an Event of Default, in the name and stead of the Bank with full power to do any and all things and acts to the same extent that the Bank could do and perform any such things and acts and with power of substitution.

ARTICLE 11

TRUSTEE

11.1 Acceptance of the Trusts. The Trustee hereby accepts the trusts and duties imposed upon it by this Indenture, and agrees to perform said trusts and duties with the same degree of care and skill in their exercise as a prudent corporate trustee would exercise or use under the circumstances in the conduct of his own affairs, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise the rights and powers vested in it by this Indenture in accordance with the standard specified above.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall not be answerable for the conduct of the same if appointed in accordance with the standard specified above, and shall be entitled to advice of Counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney or firm of attorneys (who may be the attorney or firm of attorneys for the Bank or the Trustee), if selected in accordance with the standard set forth above. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds, other than the Certificate of Authentication required by Section 3.4 hereof, or for the validity of the execution by the Bank of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights that it would have if it were not the Trustee. Bonds owned by the Trustee shall be deemed Outstanding unless canceled pursuant to the provisions hereof.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed to be genuine and correct and to have been signed or sent by the proper person or persons. The Trustee shall not withhold unreasonably its consent, approval or action to any reasonable request of the Bank. Any action taken by the Trustee pursuant to this Indenture upon the request of the Bank or consent of any person who at the time of making such request or giving such consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled in good faith to rely upon a certificate signed by an Authorized Officer as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has become aware shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient but may in its discretion secure such further evidence deemed necessary or advisable, but the Trustee shall in no case be bound to secure the same. The Trustee may accept a certificate of an Authorized Officer of the Bank under its seal to the effect that a resolution in the form therein set forth has been adopted by the Bank as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

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

(h) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right to inspect any and all of the books, papers and records of the Bank pertaining to the Revenues and receipts pledged to the payment of the Bonds, and to take such memoranda from and in regard thereto as may be desired.

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

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

(k) Before taking any action referred to in Section 10.2, 10.3 or 10.7 hereof, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its gross negligence or willful default, by reason of any action so taken.

(l) All moneys received by the Trustee shall, until used, applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law and this Indenture. The Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(m) The Trustee for all purposes of this Indenture shall be deemed to be aware of any Event of Default in the payment of principal of or interest on any of the Bonds and any event of default in the payment of principal of and interest on the City Bond.

(n) The Trustee shall have no obligation to file financing statements or continuation statements.

(o) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture and final payment of the Bonds.

11.2 Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to prompt payment and reimbursement upon demand for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as paying agent and registrar for the Bonds but only as herein provided. Upon any Event of Default, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment on account of principal of or interest on any Bond upon the Trust Estate for the foregoing fees, charges and expenses incurred by it, respectively.

11.3 Intervention by the Trustee. In any judicial proceeding to which the Bank is a party and which in the opinion of the Trustee and its Counsel has a substantial bearing on the interests of the owners of the Bonds, the Trustee may intervene on behalf of the Bondholders, and shall do so if requested in writing by the Beneficial Owners of at least twenty-five percent (25%) of the aggregate principal amount of Bonds then Outstanding upon receiving indemnification satisfactory to the Trustee.

11.4 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party ("Reorganization"), ipso facto shall be and become successor Trustee hereunder, if legally qualified to serve as such, and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided that within thirty (30) days of the effective date of such Reorganization, the Bank may object to such corporation or association becoming successor Trustee by filing written notice of such objection with the successor Trustee and by mailing such notice to each Bondholder whereupon a successor or temporary Trustee shall be appointed in accordance with Section 11.7 hereof.

11.5 Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby by giving thirty (30) days' written notice by registered or certified mail to the Bank and the owner of each Bond as shown by the list of Bondholders required by this Indenture to be kept at the office of the Trustee, and such resignation shall only take effect upon the appointment of a successor Trustee in accordance with Section 11.7 and acceptance of such appointment by the successor Trustee.

11.6 Removal of the Trustee. The Trustee may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to the Trustee and to the Bank and signed by the Beneficial Owners of a majority in aggregate principal amount of all Bonds then Outstanding or their attorneys-in-fact duly authorized. Notice of the removal of the Trustee shall be given in the same manner as provided in Section 11.5 hereof with respect to the resignation of the Trustee. So long as no Event of Default or an event which, with the passage of time would become an Event of Default, shall have occurred and be continuing, the Trustee may be removed at any time for cause by resolution or other official written action taken by the Bank with such written action to be filed with the Trustee.

11.7 Appointment of Successor Trustee by the Bondholders; Temporary Trustee. If the Trustee shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or if it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the owners of a majority in aggregate principal amount of all Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such owners, or by their attorneys-in-fact duly authorized, a copy of which shall be delivered personally or sent by registered mail to the Bank. Nevertheless in case of such vacancy, the Bank by resolution may appoint a temporary Trustee to fill such vacancy. Within ninety (90) days of such appointment, the Bondholders may appoint a successor Trustee; any such successor Trustee so appointed by the Bank shall become the successor Trustee if no appointment is made by the Bondholders within such period, but in the event an appointment is made by the Bondholders, the temporary Trustee shall immediately and without further act be superseded by any Trustee so appointed by such Bondholders. Notice of the appointment of a successor Trustee shall be given in the same manner as provided by Section 11.5 hereof with respect to the resignation of a Trustee. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank in good standing in and incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or State authority, having a reported capital and surplus of not less than \$75,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

11.8 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its or his predecessor and also to the Bank an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the Bank, after the payment of all fees, charges and expenses which may be due and owing to such predecessor pursuant to the provisions of Section 11.2 hereof, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and shall deliver all securities, moneys and other property or documents held by it as Trustee hereunder to its or his successor hereunder. Should any instrument in writing from the Bank be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Bank. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed or recorded by the successor Trustee in each recording office where this Indenture shall have been filed or recorded, if any.

11.9 Indemnification. The Bank, will, to the fullest extent permitted by law, protect, indemnify and save the Trustee and its respective officers, board members, attorneys, agents, and employees, harmless from and against all liabilities, losses, damages, costs, expenses (including attorneys' fees and expenses of the Trustee), taxes, causes of action, suits, claims, demands and judgments of any nature arising from:

(a) violation of any agreement, provision or condition of this Indenture, the City Bond, the Bonds or the City Bond Resolution except a violation by the Trustee;

(b) any statement or information relating to the expenditure of the proceeds of the Bonds contained in the Tax Certificate or similar document furnished by the City to the Bank which, at the time made, is misleading, untrue or incorrect in any material respect; and

(c) any untrue statement or alleged untrue statement of a material fact contained in any offering material relating to the sale or remarketing of the Bonds (as from time to time amended or supplemented) or arising out of or based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein not misleading, or failure to properly register or otherwise qualify the sale of the Bonds or failure to comply with any licensing or other law or regulation which would affect the manner whereby or to whom the Bonds could be sold.

Promptly after receipt by the Trustee of notice of the commencement of any action with respect to which indemnity may be sought against the Bank under this Section, the Trustee will notify the Bank in writing of the commencement thereof, and, subject to the provisions hereinafter stated, the Bank shall assume the defense of such action (including the employment of Counsel or such other person as the case may be, and the payment of expenses). Insofar as such action shall relate to any alleged liability with respect to which indemnity may be sought against the Bank, the Trustee shall have the right to employ separate Counsel in any such action and to participate in the defense thereof, but the fees and expenses of such Counsel shall not be at the expense of the Bank unless the employment of such Counsel has been specifically authorized by the Bank, which approval shall not be unreasonably withheld. The Bank shall not be liable to indemnify any person for any settlement of any such action effected without its consent.

The provisions of this Section 11.9 shall survive the payment and discharge of the City Bond and the Bonds.

11.10 Successor Trustee as Trustee of Funds, Paying Agent and Registrar. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be Trustee of the funds provided hereunder and registrar and paying agent for principal of, premium, if any, and interest on the Bonds, and the successor Trustee shall become such Trustee, registrar and paying agent.

ARTICLE 12

SUPPLEMENTAL INDENTURES

12.1 Supplemental Indentures not Requiring Consent of Bondholders. The Bank and the Trustee may, without the consent of, or notice to, any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or to make any change which, in the opinion of Bond Counsel, does not materially and adversely affect the interest of the owners of Outstanding Bonds and does not require unanimous consent of the Bondholders pursuant to Section 12.2;

(c) To subject to this Indenture additional Revenues, properties or collateral;

(d) To modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if so determined, to add to this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;

(e) To evidence the appointment of a separate or co-trustee or the succession of a new Trustee hereunder or the succession of a new registrar and/or paying agent; and

(f) In connection with issuance of Refunding Bonds.

12.2 Supplemental Indentures Requiring Consent of Bondholders. Exclusive of Supplemental Indentures provided for by Section 12.1 and subject to the terms and provisions contained in this Section, and not otherwise, the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding which are affected (exclusive of Bonds held by the Bank) shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Bank and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section contained shall permit, or be construed as permitting, without the consent of the owners of all then Outstanding Bonds, (a) an extension of the maturity of the principal of or the interest or redemption date on any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond or change in the rate of interest or redemption premium, or (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture, or (e) the creation of any lien securing any Bonds other than a lien ratably securing all of the Bonds at any time Outstanding hereunder, or (f) any modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Trustee without the written consent of the Trustee.

If at any time the Bank shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes set forth in this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Indenture to be mailed by registered or certified mail to each owner of a Bond at the address shown on the registration records maintained by the Trustee. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by all Bondholders. If, within sixty (60) days, or such longer period as shall be prescribed by the Bank, following the mailing of such notice, the owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture (exclusive of Bonds held by the Bank) shall have consented to and approved the execution of such Supplemental Indenture as provided in Section 13.1 hereof, no owner of any Bond shall have any right to object to any of the

terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Bank from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

ARTICLE 13

MISCELLANEOUS

13.1 Consents, Etc., of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number or concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by an agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it or them under such request or other instrument, namely

(a) The fact and date of the execution by any person of any such writing may be proved (i) by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or (ii) by an affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register of the Bank maintained by the Trustee pursuant to Section 3.6 hereof.

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

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

13.4 Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed to the appropriate Notice Address. A duplicate copy of each notice required to be given hereunder by the Trustee or the Bank to the City or the Bondholder(s) shall also be given to the other. The Bank or the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or

other communications shall be sent.

13.5 Trustee as Paying Agent and Registrar. The Trustee is hereby designated and agrees to act as paying agent and registrar for and in respect to the Bonds.

13.6 Payments Due on Saturdays, Sundays and Holidays. In any case where the due date of interest on, or the maturity date of principal of, or the date fixed for redemption of any Bonds shall not be a Business Day, then payment of such amounts then due may be made on the next Business Day with the same force and effect as if made on the due date.

13.7 Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

13.8 Receipt of Money or Revenues by Trustee. The Trustee is an authorized agent of the Bank for purposes of receiving money and Revenues on behalf of the Bank in accordance with provisions of this Indenture.

It is not the intent of this Section 13.8, or any other Section of this Indenture, to create a power of attorney relationship between the Bank and the Trustee.

13.9 Applicable Provisions of Law. This Indenture shall be governed by and construed in accordance with the laws of the State.

[The remainder of this page left intentionally blank.]

IN WITNESS WHEREOF, the Bank has caused this Indenture to be executed on its behalf by its Executive Director and the seal of the Bank to be hereunto affixed and duly attested by its Secretary, and the Trustee, to evidence its acceptance of the trusts created hereunder, has caused this Indenture to be executed in its name by its duly authorized officer, all as of the day and year first above written.

MISSISSIPPI DEVELOPMENT BANK

By: _____
Executive Director

(SEAL)

ATTEST:

Secretary

Signature page to the Indenture of Trust, by and between the Mississippi Development Bank and The Peoples Bank, as Trustee, dated as of ____ 1, 2026.

**THE PEOPLES BANK,
as Trustee**

**By: _____
Vice President
and Corporate Trust Officer**

Signature page to the Indenture of Trust, by and between, the Mississippi Development Bank and The Peoples Bank, as Trustee, dated as of _____, 2026.

IN WITNESS WHEREOF, the City of Biloxi, Mississippi has caused this Indenture to be duly acknowledged all as of the day and year first above written.

CITY OF BILOXI

By: _____
A.M. GILICH, JR., MAYOR

Signature page to the Indenture of Trust, by and between, the Mississippi Development Bank and The Peoples Bank, as Trustee, dated as of _____ 1, 2026.

EXHIBIT B
FORM OF CITY BOND PURCHASE AGREEMENT

BOND PURCHASE AGREEMENT

THIS BOND PURCHASE AGREEMENT (this "Agreement") is dated _____, 2026, by and between the **MISSISSIPPI DEVELOPMENT BANK** (the "Bank"), a public body corporate and politic of the State of Mississippi (the "State"), created pursuant to the provisions of Section 31-25-1 et seq., Mississippi Code of 1972, as amended (the "Act"), having its principal place of business in the City of Jackson, Mississippi, and **CITY OF BILOXI, MISSISSIPPI** (the "City"), a local governmental unit under the Act.

WITNESSETH:

WHEREAS, pursuant to the Act, the Bank is authorized to purchase securities (as defined in the Act) issued by local governmental units (as defined in the Act); and

WHEREAS, pursuant to a resolution of the City Council of the City adopted June 16, 2026 (the "City Bond Resolution"), the City has duly authorized the issuance of its bond designated City of Biloxi, Mississippi, General Obligation Bond, Series 2026 in the form of one fully registered bond in the maximum principal amount of Eighteen Million Dollars (\$18,000,000), to be dated the date of delivery (the "City Bond"), as authorized under Sections 21-33-301 et seq., Mississippi Code of 1972, as amended (the "City Bond Act"), and desires to sell the City Bond to the Bank in accordance with the terms and conditions of this Agreement as authorized under the Act; and

WHEREAS, the Bank has authorized the issuance of its bonds designated Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project), to be dated the date of delivery (the "Series 2026 Bonds"), the proceeds of which will be used to purchase the City Bond and for related purposes, pursuant to an Indenture of Trust (the "Indenture"), by and between the Bank and The Peoples Bank, Biloxi, Mississippi, as trustee (the "Trustee"), as permitted by the Indenture; and

WHEREAS, the City will direct, and the Indenture requires, the Trustee to deposit the purchase price of the City Bond into the 2026 Construction Fund established under the City Bond Resolution, or as otherwise authorized under the Indenture, to fund the Project (as defined in the City Bond Resolution);

NOW, THEREFORE, the Bank and the City agree:

Section 1. Purchase of City Bond. Subject to the terms and conditions of this Agreement, the Bank hereby agrees to purchase the City Bond and the City hereby agrees to sell to the Bank the City Bond at the price of \$ _____ (representing the par value of the Series 2026 Bonds which is \$ 000,000.00, plus \$ _____ original issue premium, less underwriter's discount of \$ _____, less \$ _____ to be deposited in the Bond Issuance Expense Account (as defined in the Indenture)), which purchase price is to be transferred by the Trustee to the 2026 Construction Fund under the City Bond Resolution in payment of the City Bond. The terms of the City Bond are as set forth in the City Bond Resolution and incorporated herein by reference.

Section 2. Conditions Precedent to Purchase of the City Bond. The City will take all action required by law to enable it to issue and sell its City Bond to the Bank. The City's obligation to issue and sell the City Bond and the Bank's obligation to purchase the City Bond are expressly contingent upon City's taking all steps and receiving all approvals required by the laws of the State of Mississippi to issue the City Bond, including, but not all inclusive, the following:

- (i) Delivery of a transcript of proceedings of the City in connection with the authorization, issuance, sale and validation of the City Bond in compliance with the City Bond Act and the Act;
- (ii) Execution and delivery of this Agreement for the sale of the City Bond to the Bank;
- (iii) Execution and delivery of a continuing disclosure agreement in connection with the Preliminary Official Statement and Official Statement distributed for the sale of the Series 2026 Bonds;
- (iv) Delivery of a certificate of an authorized officer of the City stating that no event of default under the City Bond Resolution nor an event which with notice or lapse of time or both would become an event of default under the City Bond Resolution has occurred and is continuing;
- (v) Delivery of an opinion of bond counsel satisfactory to the Bank which shall set forth, among other things, that the City Bond is the valid and binding general obligation of the City; and that this Agreement and the City Bond Resolution are valid and binding obligations of the City enforceable in accordance with their terms (subject to standard assumptions and exceptions);
- (vi) Such further documents, certificates and opinions as may be required by the Indenture, this Agreement, the Bank Bond Purchase Agreement to be entered into by and among the Bank, the City and Raymond James & Associates, Inc., Memphis, Tennessee, with respect to the Series 2026 Bonds.

Section 3. Payment of the City Bond; Security.

(i) The City Bond shall be a general obligation of the City and the City hereby irrevocably pledges its full faith, credit and taxing power for the purpose of effectuating and providing for the payment of the principal of and interest on the City Bond as the same shall respectively mature and accrue. For the purpose of effectuating and providing for the payment of the principal of and interest on the City Bond as the same shall respectively mature and accrue,

there shall be and is hereby levied a direct, continuing special tax upon all of the taxable property within the geographical limits of the City, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and the interest on the City Bond; provided, however, that such tax levy for any year shall be abated to the extent that the City on or prior to September 1 of that year has transferred money to the 2026 Bond Fund established under the City Bond Resolution, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the City Bond due during the ensuing fiscal year of the City, in accordance with the provisions of the City Bond Resolution. Said tax, if necessary, shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the City are collected, and the rate of tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to time, rate or amount. The avails of said tax are hereby irrevocably pledged for the payment of the principal of and interest on the City Bond and any additional obligations of the City as aforesaid as the same shall respectively mature and accrue.

(ii) The City further agrees that it will deposit with the Paying Agent for the City Bond, which is also the Trustee under the Indenture, no later than five Business Days (as defined in the City Bond Resolution) prior to each principal or interest payment date of the City Bond, sufficient monies to pay the principal of and interest payments on the City Bond scheduled to be paid on such payment date, including past due amounts, if any, which deposit shall be used to pay the principal of and accrued interest on the City Bond due on such payment date, continuing to _____ 1, 204__.

(iii) The City acknowledges and agrees that failure to make each such deposit when due in an amount sufficient to pay the principal of and interest payments on the City Bond scheduled to be paid on the next payment date, including past due amounts, if any, will be an Event of Default under the Indenture entitling the Trustee to exercise certain remedies under the Indenture, including the acceleration of all principal and interest due on the City Bond and the Series 2026 Bonds.

Section 4. Redemption. The City Bond is subject to mandatory sinking fund redemption as provided therein. Upon written request of the City, which request may be made at any time specifying a redemption date on or after _____ 1, 20__, the Bank agrees to redeem the Series 2026 Bonds, in whole or in part, as specified in such notice, provided however, that such redemption shall be pursuant to and as required by the City Bond Resolution and the Indenture.

Section 5. Tax Covenants. The City hereby acknowledges the tax-related covenants set forth in Sections 18 through 20 of the City Bond Resolution and hereby agrees with and covenants to the Bank that it will fully comply with such covenants as set forth therein and will give the Bank written notice of any known violation or breach of such covenants and agreements as each may apply to the City Bond or the Series 2026 Bonds only.

Section 6. Rebate. To the extent the City Bond or the Series 2026 Bonds are subject to the rebate requirement as set forth in Section 148(f) of the Internal Revenue Code of 1986, as amended, and the Regulations promulgated thereunder (the "Rebate Requirement"), the City

agrees to pay to the Bank for prompt payment to, or to provide evidence to the Bank of payment to, the United States of America of the Rebate Requirement determined by the City to result from the investment of moneys that constitute gross proceeds of the City Bond or the Series 2026 Bonds. The City agrees to provide documentation to the Bank showing the computation of the Rebate Requirement and payment of such Rebate Requirement when required.

Section 7. Assignment of City Bond. The City and the Bank agree that the City Bond and the payments to be made thereon may be pledged or assigned by the Bank to the Trustee under and pursuant to the Indenture.

Section 8. Financial Reporting. The City agrees to furnish to the Bank as long as any portion of the City Bond remains outstanding annual financial reports, audit reports and such other financial information as is reasonably requested by the Bank, including information which concerns the City's and the Bank's obligation to rebate excess earnings according to the Rebate Requirement with respect to the City Bond or the Series 2026 Bonds.

Section 9. Continuing Disclosure. The City agrees to enter into a written undertaking for the benefit of the holders of the Series 2026 Bonds to deliver, or cause to be delivered, to the Municipal Securities Rulemaking Board ("MSRB") through MSRB's Electronic Municipal Market Access System at <http://emma.msrb.org> in the electronic format then prescribed by the Securities and Exchange Commission pursuant to Rule 15c2-12 of the Securities and Exchange Act of 1934 certain information contained in the Official Statement as set forth and described in the continuing disclosure agreement of the City to be executed on the delivery date for the Series 2026 Bonds.

Section 10. Severability. If any provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of the Agreement and this Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

Section 11. Certificates. On the delivery date of the Series 2026 Bonds, an authorized officer of the City will certify that the statements made in the Official Statement, including without limitation APPENDICES A, B and D thereto, made by the City pertaining to the City and the City Bond, as of the date of the Official Statement and as of the delivery date of the Series 2026 Bonds, did not and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition and affairs of the City during the period from the date of the Official Statement to the date of delivery of the Series 2026 Bonds that was not disclosed in or contemplated by the Official Statement.

Section 12. Indemnity. The City will, to the fullest extent permitted by law, protect, indemnify and save the Bank and its officers, agents and employees and any person who controls the Bank within the meaning of the Securities Act of 1933, harmless from and against all liabilities, losses, damages, costs, expenses (including attorneys' fees and expenses of the Bank), taxes, causes of action, suits, claims, demands and judgements of any nature arising from:

- (a) violation of any agreement, provision or condition of the City Bond Resolution, the City Bond or the Indenture except a violation by the Bank;
- (b) any statement or information relating to the expenditure of the proceeds of the Series 2026 Bonds or the City Bond contained in the "Tax Certificate" or similar document furnished by the City to the Bank which, at the time made, is misleading, untrue or incorrect in any material respect; and
- (c) any untrue statement or alleged untrue statement of a material fact contained in any offering material relating to the sale or remarketing of the Series 2026 Bonds (as from time to time amended or supplemented) or arising out of or based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein not misleading, or failure to properly register or otherwise qualify the sale of the Series 2026 Bonds or failure to comply with any licensing or other law or regulation which would affect the manner whereby or to whom the Series 2026 Bonds could be sold.

Promptly after receipt by the Bank or any such other indemnified person, as the case may be, of notice of the commencement of any action with respect to which indemnity may be sought against the City under this Section, such person will notify the City in writing of the commencement thereof, and, subject to the provisions hereinafter stated, the City shall assume the defense of such action (including the employment of counsel, who shall be counsel reasonably satisfactory to the Bank, or such other person as the case may be, and the payment of expenses). Insofar as such action shall relate to any alleged liability with respect to which indemnity may be sought against the City, the Bank or any such other indemnified person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the City unless the employment of such Counsel has been specifically authorized by the City. The City shall not be liable to indemnify any person for any settlement of any such action effected without its consent.

The provisions of this Section shall survive the payment and discharge of the Series 2026 Bonds.

Section 13. Counterparts. This Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. The Bank and the City each agree that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Agreement.

Section 14. Waiver. No waiver by either the Bank or the City of any term or condition of this Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Agreement.

Section 15. Entire Agreement. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the Bank and the City relating to the subject matter hereof and constitutes the entire agreement between the Bank and the City in respect hereof.

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IN WITNESS WHEREOF, we have hereunto set our hands as of the ____ day of _____, 2026.

MISSISSIPPI DEVELOPMENT BANK

By: _____
Executive Director

ATTEST:

Assistant Secretary

Signature Page to City Bond Purchase Agreement, dated as of _____, 2026 between the Mississippi Development Bank and the City of Biloxi, Mississippi.

IN WITNESS WHEREOF, we have hereunto set our hands as of the ____ day of _____,
2026.

CITY OF BILOXI, MISSISSIPPI

By: _____
Mayor

ATTEST:

By: _____
Municipal Clerk

**Signature Page to City Bond Purchase Agreement, dated as of _____, 2026 between the
Mississippi Development Bank and the City of Biloxi, Mississippi.**

EXHIBIT C
FORM OF BOND PURCHASE AGREEMENT

\$____,000,000
MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BONDS, SERIES 2026
(BILOXI, MISSISSIPPI GENERAL OBLIGATION BOND PROJECT)

BOND PURCHASE AGREEMENT

_____, 2026

Executive Director
Mississippi Development Bank
735 Riverside Drive, Suite 300
Jackson, Mississippi 39202

City of Biloxi, Mississippi
140 Lameuse Street
Biloxi, Mississippi 39530

Ladies and Gentlemen:

The undersigned Raymond James & Associates, Inc., Memphis, Tennessee (the "Underwriter"), offers to enter into the following agreement with the Mississippi Development Bank (the "Bank") and the City of Biloxi, Mississippi (the "City") which, upon your acceptance of this offer as evidenced by your execution hereof, will be in full force and effect in accordance with its terms and binding upon the Bank, the Underwriter and the City.

This offer is made subject to acceptance by you of this agreement on or before 5:00 o'clock P.M., Jackson, Mississippi time on _____, 2026. Unless otherwise provided, the terms used in this Bond Purchase Agreement have the meanings set forth in the Indenture of Trust to be dated as of _____ 1, 2026 (the "Indenture"), between the Bank and The Peoples Bank, Biloxi, Mississippi, as trustee (the "Trustee"), as previously approved by the Bank and the City.

1. Upon the terms and conditions and upon the basis of the representations, warranties and covenants hereinafter set forth, the Underwriter hereby agrees to purchase from the Bank for offering to the public, and the Bank hereby agrees to sell to the Underwriter for such purpose, (i) all (but not less than all) of the \$____,000,000 aggregate principal amount of the Bank's Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project), dated the date of delivery (the "Series 2026 Bonds"), at the purchase price of \$_____ (such price representing the principal amount of the Series 2026 Bonds less an Underwriter's discount of \$_____, plus original issue premium of \$_____). The Series 2026 Bonds will be limited obligations of the Bank and will be issued under and pursuant to, and are to be secured by, the Indenture. The Series 2026 Bonds shall mature on the date or dates as stated in Exhibit I hereto, shall bear interest payable on _____ 1 and _____ 1, beginning no later than _____ 1, 202____, and semi-annually thereafter on _____ 1 and _____ 1 in each year, at the rate or rates as stated in

Exhibit I hereto, shall be redeemable prior to maturity and shall have the other terms and provisions as stated in the Indenture.

2. (a) The Underwriter agrees to assist the Bank in establishing the issue price of the Series 2026 Bonds and shall execute and deliver to the Bank at Closing a certificate, together with the supporting pricing wires or equivalent communications, specifying such facts as are necessary to establish the “issue price” of the Series 2026 Bonds within the meaning of Section 1.148-1(f) of the Treasury Regulations.

(b) The Bank will treat the first price at which 10% of each maturity of the Series 2026 Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the Bank the price or prices at which it has sold to the public each maturity of the Series 2026 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2026 Bonds, the Underwriter agrees to promptly report to the Bank the prices at which it sells the unsold Series 2026 Bonds of that maturity to the public. The reporting obligation shall continue, including after the Closing, until the 10% test has been satisfied as to the Series 2026 Bonds of each maturity.

(c) The Underwriter confirms that it has offered the Series 2026 Bonds to the public, on or before the date of this Bond Purchase Agreement, at the initial public offering price or prices (or at yield or yields) set forth on Exhibit I. Exhibit I also sets forth, as of the date hereof, the maturities, if any, of the Series 2026 Bonds for which the 10% test has not been satisfied and for which the Bank and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Bank to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2026 Bonds, the Underwriter will neither offer nor sell unsold Series 2026 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) The close of the fifth (5th) business day after the sale date; or
- (2) The date on which the Underwriter has sold at least 10% of that maturity of the Series 2026 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Bank when it has sold 10% of that maturity of the Series 2026 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Series 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer which is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series

2026 Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been met as to the Series 2026 Bonds of that maturity or all Series 2026 Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Bank acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) if a selling group has been created in connection with the initial sale of the Series 2026 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) if a retail distribution agreement was employed in connection with the initial sale of the series 2026 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Bank further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2026 Bonds.

(e) The Underwriter acknowledges that sales of any Series 2026 Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Bank (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026 Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2026 Bonds to the public),
- (iii) a purchaser of any of the Series 2026 Bonds is a “related party” to any underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (x) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (y) more than 50% common ownership of their capital interests or profits interest, if both entities are partnerships (including direct ownership by one partnership of another), or (z) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

3. As soon as practicable after the date hereof, and in any event not later than seven

business days from the date hereof, the Bank shall deliver to the Underwriter not to exceed 10 copies of the final Official Statement dated the date hereof (the "Official Statement"), at the cost of the City executed by the Bank and the City (which Official Statement shall be substantially in the form of the Preliminary Official Statement dated _____, 2026 (the "Preliminary Official Statement"), incorporating only such changes as are contained in the draft Official Statement and such other changes from such Preliminary Official Statement as are approved by the Bank, the Underwriter and the City). The Bank and City authorize the use of the Official Statement (or drafts thereof prior to availability of the Official Statement) in connection with the public offering or sale of the Series 2026 Bonds and ratify and approve the prior use of the Preliminary Official Statement for such purpose. If between the date of this Bond Purchase Agreement and the date which is 90 days after the end of the underwriting period for the Series 2026 Bonds, as defined in paragraph (f)(2) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 ("Rule 15c2-12"), any event shall occur or be discovered which would cause the Official Statement to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Bank and the City shall notify the Underwriter thereof, and if in the sole opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Bank and the City, at the sole expense of the City, will supplement or amend the Official Statement in a form and in a manner approved by the Underwriter and will furnish such supplemented or amended Official Statement to the Underwriter in sufficient quantity to enable the Underwriter to comply with paragraph (b)(4) of Rule 15c2-12 and the Rules of the Municipal Securities Rulemaking Board; provided, however, that if such event shall occur on or prior to the Closing and if in the reasonable opinion of the Underwriter the occurrence of such event materially and adversely affects the market for the Series 2026 Bonds, the Underwriter in its sole discretion shall have the right to terminate its obligations hereunder by written notice to the Bank and the City (whereupon the Bank and the City shall have no obligation under this paragraph to supplement or amend the Official Statement), and thereafter the Underwriter shall be under no obligation to purchase and pay for the Series 2026 Bonds. The Bank and the City agree that they shall not, prior to the date which is 90 days after the end of the underwriting period, adopt any amendment of or supplement to the Official Statement except as set forth in this paragraph or with the consent of the Underwriter, which shall not be unreasonably withheld. The Underwriter agrees to notify the Bank and the City of the end of such underwriting period; provided that the failure to give such notice shall not affect the Bank's or the City's responsibilities herein.

The Bank represents that it has, or agrees to, authorize, execute and deliver the Indenture, this Bond Purchase Agreement and the separate Bond Purchase Agreement dated as of the date hereof, between the City and the Bank (the "City Bond Purchase Agreement") prior to the date of Closing with only such changes therein from the forms thereof on the date hereof as are approved by the Underwriter, the Closing in all events to be deemed such approval.

The City has authorized and agrees to execute and deliver the City Bond Purchase Agreement, the City Bond, this Bond Purchase Agreement and the Continuing Disclosure Certificate of the City to be dated the date of the Closing (the "Continuing Disclosure Certificate").

4. The Bank hereby represents and warrants to and covenants with the Underwriter that:

(a) The Bank is and will be as of the date of the Closing a public body corporate and politic of the State of Mississippi.

(b) The Bank is and will be as of the date of Closing authorized under the laws of the State of Mississippi, including particularly the Act, to: (i) adopt such resolutions as are necessary to approve the issuance of the Series 2026 Bonds; (ii) issue the Series 2026 Bonds for the purposes described in the Official Statement; (iii) lend the proceeds of the Series 2026 Bonds to the City for the purposes set forth in the Official Statement; (iv) enter into, execute and deliver this Bond Purchase Agreement, the Indenture, the City Bond Purchase Agreement, and the Official Statement; and (v) pledge and assign the City Bond to the Trustee pursuant to the Indenture, as security for the payment of the Series 2026 Bonds.

(c) The Bank has full power and authority to consummate the transactions contemplated to be consummated by it pursuant to this Bond Purchase Agreement, the Series 2026 Bonds, the Indenture, the City Bond Purchase Agreement and the Official Statement.

(d) The information contained in the sections of the Preliminary Official Statement and the Official Statement captioned "INTRODUCTION," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS", "THE MISSISSIPPI DEVELOPMENT BANK", "LITIGATION," "VALIDATION" and "MISCELLANEOUS" (in each case, to the extent applicable to the Bank) is, in the case of the Preliminary Official Statement, and in the case of the Official Statement will be on the date thereof and as of the date of Closing true and correct in all material respects; such sections of the Preliminary Official Statement do not contain and such sections of the Official Statement will not, as of the date of delivery of the Official Statement or as of the date of Closing, contain any untrue statement of a material fact; and such sections of the Preliminary Official Statement do not omit and such sections of the Official Statement will not omit, as of the date of delivery of the Official Statement or the date of Closing, to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(e) The Bank shall have prior to the Closing duly authorized all necessary action to be taken by it for:

(i) The issuance and sale of the Series 2026 Bonds upon the terms set forth herein, in the Official Statement and in the Indenture;

(ii) the purchase from the City of the City Bond pursuant to the City Bond Purchase Agreement;

(iii) the execution, delivery and/or receipt of this Bond Purchase Agreement, the Indenture, the City Bond Purchase Agreement, the Series 2026 Bonds and the Official Statement, the approval and the execution, delivery, receipt and/or approval of any and all such other agreements and documents as may be required to be executed, delivered and received by the Bank in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and

(iv) the effectuation and consummation of the transactions contemplated by this Bond Purchase Agreement, the Official Statement, the Indenture, and the City Bond Purchase Agreement.

(f) The Series 2026 Bonds, when issued, delivered and paid for as herein and in the Indenture provided, will have been duly authorized and issued and will constitute valid and binding special limited obligations of the Bank enforceable in accordance with their terms and entitled to the benefits and security of the Indenture (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights from time to time in effect and further subject to the availability of equitable remedies).

(g) No event affecting the Bank has occurred since the date of the Preliminary Official Statement, or is expected by the Bank to occur, which should be described in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading.

(h) The resolution of the Board of Directors of the Bank authorizing the issuance and sale of the Series 2026 Bonds adopted on _____, 2026 (the "Bank Resolution"), has not been modified, amended or repealed and is in full force and effect on the date hereof.

(i) The Bank will direct the Trustee to apply the proceeds from the sale of the Series 2026 Bonds immediately upon the Closing as specified in the Indenture and in any instructions delivered at Closing by an authorized officer of the Bank.

(j) The Bank is in compliance with all material laws and regulations applicable to it and its operations which, if violated by the Bank, could adversely affect the Bank's ability to take the actions contemplated hereby and by the Official Statement, the City Bond Purchase Agreement, and the Indenture.

(k) The Bank is not, in any way which could adversely affect the Bank's ability to take the actions contemplated hereby and by the Official Statement, the City Bond Purchase Agreement and the Indenture, in breach of or in default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage, lease, sublease or other instrument to which it is a party or by which it or its property is or may be bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder which could adversely affect the Bank's ability to take the actions contemplated hereby or by the Official Statement, the City Bond Purchase Agreement or the Indenture.

(l) The execution and delivery by the Bank of this Bond Purchase Agreement, the Official Statement, the Series 2026 Bonds, the Indenture, the City Bond Purchase Agreement, the assignment to the Trustee of the City Bond and the compliance by the Bank with the provisions of each of the foregoing documents will not, to any extent or in any way which could adversely affect the Bank's ability to take the actions contemplated hereby and by the City Bond Purchase Agreement and the Indenture, conflict with or constitute on the part of the Bank a breach of or a default under any existing law, court or administrative regulation, decree or order or any

agreement, indenture, mortgage or loan agreement by which the Bank or its property is or may be bound.

(m) Other than the anticipated court proceedings to validate the Series 2026 Bonds, no litigation or proceeding to which the Bank is a party is pending or, to the knowledge of the Bank, threatened against or affecting the Bank (i) contesting the due organization or valid existence of the Bank, (ii) to restrain or enjoin the issuance or delivery of the Series 2026 Bonds, the application of the proceeds thereof as provided in the Official Statement and in the Indenture, the functioning of the Bank or the payment, collection or application of revenues pursuant to the Indenture, the City Bond Purchase Agreement or the City Bond, (iii) in any way contesting or affecting any authority for, or the validity or execution of the Series 2026 Bonds, the Indenture, the City Bond Purchase Agreement or this Bond Purchase Agreement, the application of the proceeds of the Series 2026 Bonds as provided in the Official Statement and in the Indenture or the payment, collection or application of revenues or the pledge thereof pursuant to the Indenture, the City Bond Purchase Agreement or the Series 2026 Bonds, or (iv) in any way contesting the right and power of the Bank to take the actions to be taken by the Bank contemplated by such documents. To the knowledge of the Bank, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or threatened against or affecting the Bank (or any meritorious basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity of any agreement or instrument to which the Bank is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement.

(n) The Bank covenants that between the date hereof and the Closing it will not take any action or permit any action within its control to be taken which will cause the representations and warranties of the Bank made herein to be untrue as of the Closing.

(o) The Bank agrees to cooperate with the Underwriter in any endeavor to qualify the Series 2026 Bonds for offering and sale under the securities or "blue sky" laws of such jurisdictions of the United States as the Underwriter may request. The Bank consents to the use of drafts of the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement by the Underwriter in obtaining such qualification.

(p) The Bank agrees that all representations, warranties and covenants made by it hereunder shall remain in full force and effect despite any investigation by or on behalf of the Underwriter and shall survive any termination of this Bond Purchase Agreement.

(q) Except as otherwise provided in the Preliminary Official Statement and Official Statement, the Bank has complied in all material respects during the preceding five years with all previous undertakings in its written continuing disclosure undertakings, contracts and agreements under Rule 15c2-12.

5. The City hereby represents and warrants to and covenants with the Underwriter that:

(a) The City is and will be as of the date of the Closing a political subdivision of the

State of Mississippi.

(b) The City is and will be as of the date of Closing authorized under the laws of the State of Mississippi, including particularly the Act to: (i) adopt such resolutions as are necessary to approve the borrowing of the proceeds of the Series 2026 Bonds; (ii) execute and deliver the City Bond for the purposes described in the Official Statement; (iii) borrow the proceeds of the Series 2026 Bonds from the Bank for the purposes set forth in the Official Statement; (iv) enter into, execute and deliver this Bond Purchase Agreement, the City Bond Purchase Agreement, the City Bond, the Continuing Disclosure Certificate and the Official Statement; and (v) approve the pledge and assignment to the Trustee of the City Bond pursuant to the Indenture, as security for the payment of the Series 2026 Bonds.

(c) The City has full power and authority to consummate the transactions contemplated to be consummated by it pursuant to this Bond Purchase Agreement, the Series 2026 Bonds, the Indenture, the City Bond Purchase Agreement, the City Bond, the Continuing Disclosure Certificate, and the Official Statement.

(d) The information contained in the Preliminary Official Statement and the Official Statement is, in the case of the Preliminary Official Statement, and, in the case of the Official Statement will be on the date thereof and as of the date of Closing, true and correct in all material respects; the Preliminary Official Statement does not contain and the Official Statement will not, as of the date of delivery of the Official Statement or as of the date of Closing, contain any untrue statement of a material fact, and the Preliminary Official Statement does not omit and the Official Statement will not omit as of the date of delivery of the Official Statement or the date of Closing, to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(e) The City shall have prior to the Closing duly authorized all necessary action to be taken by it for:

(i) the issuance and sale of the City Bond to the Bank and approving the borrowing of the proceeds of the Series 2026 Bonds from the Bank and the use of such proceeds as contemplated by the Official Statement;

(ii) the execution, delivery and/or receipt of this Bond Purchase Agreement, the City Bond Purchase Agreement, the City Bond, the Continuing Disclosure Certificate and the Official Statement, the approval and the execution, delivery, receipt and/or approval of any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and

(iii) the effectuation and consummation of the transactions contemplated by this Bond Purchase Agreement, the Official Statement, the City Bond, the Continuing Disclosure Certificate, the Indenture and the City Bond Purchase Agreement.

(f) The City Bond, when issued, delivered and paid for as herein, in the City Resolution

(hereinafter defined) and in the Indenture provided, will have been duly authorized and issued and will constitute a valid and binding general obligation of the City enforceable in accordance with its terms (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights from time to time in effect and further subject to the availability of equitable remedies).

(g) No event affecting the City has occurred since the date of the Preliminary Official Statement, or is expected by the City to occur, which should be described in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading.

(h) The resolution of the City Council of the City, authorizing the issuance of the City Bond and the borrowing of the proceeds of the Series 2026 Bonds, adopted on June 16, 2026 (the "City Resolution"), has not been modified, amended or repealed and is in full force and effect on the date hereof.

(i) The City will direct the Bank to apply the proceeds from the sale of the Series 2026 Bonds immediately upon the Closing as specified in the Indenture and in any instructions delivered at Closing by an authorized officer of the City.

(j) The City is in compliance with all material laws and regulations applicable to it and its operations which, if violated by the City, could adversely affect the City's ability to take the actions contemplated hereby and by the Official Statement, the City Bond Purchase Agreement, the City Bond, the Indenture, and the Continuing Disclosure Certificate.

(k) The City is not, in any way which could adversely affect the City's ability to take the actions contemplated hereby and by the Official Statement, the City Bond Purchase Agreement, the City Bond, the Continuing Disclosure Certificate and the Indenture, in breach of or in default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage, lease, sublease or other instrument to which it is a party or by which it or its property is or may be bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder which could adversely affect the City's ability to take the actions contemplated hereby or by the Official Statement, the City Bond Purchase Agreement, the City Bond, the Continuing Disclosure Certificate or the Indenture.

(l) The execution and delivery by the City of this Bond Purchase Agreement, the Official Statement, the City Bond, the City Bond Purchase Agreement, the Continuing Disclosure Certificate and the other documents contemplated hereby and by the Preliminary Official Statement and the City Bond and the compliance by the City with the provisions of each of the foregoing documents will not, to any extent or in any way which could adversely affect the City's ability to take the actions contemplated hereby and by the Official Statement, the City Bond Purchase Agreement, the Continuing Disclosure Certificate and the Indenture, 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 or loan

agreement by which the City or its property is or may be bound.

(m) Other than the anticipated court proceedings to validate the City Bond, no litigation or proceeding to which the City is a party is pending or, to the knowledge of the City, threatened against or affecting the City (i) contesting the due organization or valid existence of the City, (ii) to restrain or enjoin the issuance or delivery of the Series 2026 Bonds or the City Bond, the application of the proceeds thereof as provided in the Official Statement, the City Resolution and the Indenture, the functioning of the City or the payment, collection or application of revenues pursuant to the City Resolutions, the Indenture, the City Bond Purchase Agreement, or the City Bond, (iii) in any way contesting or affecting any authority for, or the validity or execution of the Series 2026 Bonds, the Indenture, the City Bond Purchase Agreement, the Continuing Disclosure Certificate or this Bond Purchase Agreement, the application of the proceeds of the Series 2026 Bonds or the City Bond as provided in the Official Statement, the City Resolution and the Indenture or the payment, collection or application of revenues or the pledge thereof pursuant to the City Resolutions, the Indenture, the City Bond Purchase Agreement or the City Bond, or (iv) in any way contesting the right and power of the City to take the actions to be taken by the City contemplated by such documents. To the knowledge of the City, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or threatened against or affecting the City (or any meritorious basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity of any agreement or instrument to which the City is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement.

(n) The City covenants that between the date hereof and the Closing it will not take any action or permit any action within its control to be taken which will cause the representations and warranties of the City made herein to be untrue as of the Closing.

(o) The City agrees to cooperate with the Underwriter in any endeavor to qualify the Series 2026 Bonds for offering and sale under the securities or "blue sky" laws of such jurisdictions of the United States as the Underwriter may request. The City consents to the use of drafts of the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement by the Underwriter in obtaining such qualification.

(p) The City agrees that all representations, warranties and covenants made by it hereunder shall remain in full force and effect despite any investigation by or on behalf of the Underwriter and shall survive any termination of this Bond Purchase Agreement.

(q) The City is an "obligated person" within the meaning of Rule 15c2-12 and shall have duly authorized, executed and delivered the Continuing Disclosure Certificate which complies with the provisions of Rule 15c2-12 and which shall substantially set forth those provisions set forth in the Preliminary Official Statement; and

(r) Except as otherwise provided in the Preliminary Official Statement and Official Statement, the City has complied in all material respects during the preceding five years with all

previous undertakings in its written continuing disclosure undertakings, contracts and agreements under Rule 15c2-12.

6. At 10:00 o'clock A.M., Central time, on _____, 2026 or at such other time or such other date, as shall have been mutually agreed upon by the Bank, the City and the Underwriter, the Bank will deliver, or cause to be delivered, to Cede & Co., as nominee of the Depository Trust Company ("DTC"), the Series 2026 Bonds, in a form acceptable to Bond Counsel, duly executed and duly authenticated by the Trustee, together with the other documents hereinafter mentioned, against payment to the Trustee of the purchase price therefor plus accrued interest, if any, in immediately available funds by check or wire transfer or transfers.

Delivery of the Series 2026 Bonds as aforesaid shall be made at such location as is mutually agreed upon by the Underwriter, the Bank and the Trustee. Concurrent with such delivery, the Bank and the City shall deliver the certificates, reports and documents described in Section 7 hereof at the offices of Bond Counsel or such other place as shall have been mutually agreed upon by the Bank, the City and the Underwriter. Such delivery is herein called the "Closing." The Series 2026 Bonds will be delivered to or as directed by DTC as definitive fully registered bonds in denominations equal to the principal amount of each maturity.

The Underwriter shall have the right to cancel its obligation to purchase the Series 2026 Bonds if between the date hereof and the Closing, (a) the marketability of the Series 2026 Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets, or (b) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Bank's or the City's obligations.

7. The obligations of the Underwriter hereunder to purchase the Series 2026 Bonds shall be subject to the performance by the Bank of its obligations to be performed hereunder at and prior to the Closing, to the performance by the City of its obligations to be performed hereunder at or prior to the Closing, to the accuracy in all material respects, in the reasonable judgment of the Underwriter, of the representations and warranties of the Bank and of the City herein, in both cases, as of the date hereof and as of the time of the Closing and, in compliance with the following conditions:

(a) At the time of the Closing, (i) the Indenture, the City Resolution, the City Bond Purchase Agreement, the City Bond, and the Continuing Disclosure Certificate, shall have been executed by the party or parties thereto and shall be in full force and effect and the forms of such instruments and the form of the Official Statement as of the date hereof shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, the Closing in all events however to be deemed such approval, (ii) the Bank and the City shall have duly adopted and there shall be in full force and effect such resolutions as shall, in the opinion of Bond Counsel, be necessary in connection with the transactions contemplated hereby, (iii) the representations and warranties of the Bank provided in Section 4 hereof and of the City in Section 5 hereof shall be true, complete and correct in all material respects as if then made, (iv) the Bank and the City shall perform or have performed all obligations required under or specified in this Bond Purchase Agreement to be performed at or prior to the Closing, and (v) the

proceeds of the sale of the Series 2026 Bonds shall be applied and deposited as described in the Official Statement and the Indenture.

(b) At or prior to the Closing, the Bank shall have delivered the Series 2026 Bonds and shall have assigned and delivered the City Bond to the Trustee.

(c) At or prior to the Closing, the Underwriter shall receive the following documents:

(1) the approving opinion of Bond Counsel dated the date of the Closing, substantially in the form attached as an appendix to the Preliminary Official Statement, together with a letter to the Underwriter authorizing reliance thereon;

(2) an opinion, dated the date of Closing, of counsel for the Bank, in form and content reasonably acceptable to the Underwriter, either addressed to the Underwriter or accompanied by a letter to the Underwriter authorizing reliance thereon;

(3) an opinion, dated the date of the Closing, of counsel for the City, in form and content reasonably acceptable to the Underwriter, either addressed to the Underwriter or accompanied by a letter to the Underwriter authorizing reliance thereon;

(4) a certificate of the City, addressed to the Bank and the Underwriter, dated the date of the Closing, signed by authorized officers of the City, in form and content reasonably acceptable to the Underwriter;

(5) a certificate of the Bank dated the date of the Closing and signed by an appropriate official or representative of the Bank, in form and content reasonably acceptable to the Underwriter;

(6) one copy of the Official Statement executed on behalf of the Bank by the Executive Director of the Bank and on behalf of the City by the Mayor of the City;

(7) an opinion of Bond Counsel dated the date of Closing with respect to certain provisions of the Official Statement, in form and content reasonably acceptable to the Underwriter;

(8) executed or conformed copies of each of the Indenture, the City Bond Purchase Agreement, the Continuing Disclosure Certificate, and the City Bond, duly executed by the parties thereto;

(9) a certified copy of the Bank Resolution of the Bank authorizing, approving or ratifying the execution and delivery of the Series 2026 Bonds, the Indenture, the Preliminary Official Statement, the Official Statement, the City Bond Purchase Agreement and this Bond Purchase Agreement;

(10) certified copies of the City Resolution of the City authorizing the execution and delivery of the Preliminary Official Statement, the Official Statement, the City Bond Purchase Agreement, the City Bond, and the Continuing Disclosure Certificate, together

with a certification as to incumbency of officers;

(11) a certificate of the Trustee to the effect that (i) all moneys and securities delivered to the Trustee under and pursuant to the Indenture have been duly deposited to the credit of the appropriate funds established under or in accordance with the Indenture or otherwise applied as provided in the Indenture, (ii) the Indenture has been duly executed and delivered by the Trustee, (iii) the Series 2026 Bonds have been authenticated and (iv) the Trustee has no knowledge of any default under the Indenture;

(12) evidence of validation of the Series 2026 Bonds by judgment of the Chancery Court of the First Judicial District of Hinds County, Mississippi and of validation of the City Bond by judgement of the Chancery Court of the Second Judicial District of Harrison County, Mississippi;

(13) Rating letter evidencing that Standard & Poor's Rating Services has assigned a rating of ____ to the Series 2026 Bonds; and

(14) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request to evidence compliance by the Bank and the City with legal requirements, the truth and accuracy, as of the time of Closing, of their respective representations contained herein and the due performance or satisfaction by each thereof at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by each thereof.

The Bank and the City will furnish the Underwriter with additional conformed copies of such opinions, certificates, letters and documents as the Underwriter reasonably requests.

If either the Bank or the City shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement (and such conditions shall not be waived), or if the obligations of the Underwriter to purchase and accept delivery of the Series 2026 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter nor the Bank shall be under further obligation hereunder. However, the Underwriter may, in its sole discretion, waive one or more of the conditions imposed by this Bond Purchase Agreement for the protection of the Underwriter and proceed with the Closing contemplated hereby.

8. All representations, warranties and agreements of the Bank and the City herein shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter, and shall survive any termination of this Bond Purchase Agreement by the Underwriter pursuant to the terms hereof.

9. The Bank will pay or cause to be paid from, but only from, the proceeds of the Series 2026 Bonds, and other moneys provided by the City, all expenses incident to the performance of the Bank's and the City's obligations under this Bond Purchase Agreement, including, but not limited to, mailing or delivery of the Series 2026 Bonds, costs of printing the Series 2026 Bonds, the Preliminary Official Statement, and the Official Statement, including the mailing and delivery thereof by the printer, fees and disbursements of Bond Counsel,

Underwriter's counsel, Bank counsel and counsel for the City, expenses of the Bank, fees for bond ratings, costs and expenses of preparing and reproducing this Bond Purchase Agreement, the Indenture, the City Bond Purchase Agreement, the City Bond, and the Continuing Disclosure Certificate and fees and expenses of the Trustee. The Underwriter shall pay the cost of all advertising expenses in connection with the public offering of the Series 2026 Bonds.

10. Any notice or other communication to be given to the Bank, the City or the Underwriter under this Bond Purchase Agreement shall be given in writing and shall be mailed or delivered to the following respective addresses until otherwise directed by written notice to the other parties hereto:

The Bank: Mississippi Development Bank
735 Riverside Drive, Suite 300
Jackson, Mississippi 39202
Attention: E.F. "Buddy" Mitcham, Executive Director

The City: City of Biloxi
140 Lameuse Street
Biloxi, Mississippi 39530
Attention: Mayor

The Underwriter: Raymond James & Associates, Inc.
1100 Ridgeway Loop, 3rd Floor
Memphis, Tennessee 38120
Attn: Lindsey Rea

11. This Bond Purchase Agreement is made solely for the benefit of the Bank, the City and the Underwriter and their respective successors and assigns and no other person shall acquire or have any right hereunder or by virtue hereof. The terms "successors" and "assigns" as used in the preceding sentence shall not include any purchasers of any Series 2026 Bonds from or through the Underwriter merely because of such purchase. All representations, warranties and agreements in this Bond Purchase Agreement shall remain in full force and effect, regardless of (a) delivery of and payment for the Series 2026 Bonds hereunder and (b) any termination of this Bond Purchase Agreement.

12. The Bank and the City acknowledge and agree that (i) the purchase and sale of the Series 2026 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction among the Bank, the City and the Underwriter; (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Bank or the City; (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the Bank or the City with respect to the offering of the Series 2026 Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Bank on other matters) nor has it assumed any other obligation to the Bank or the City except the obligations expressly set forth in this Agreement, (iv) the Underwriter has financial and other interests that differ from those of the Bank and the City; and (v) each of the Bank and the City has consulted with its own legal and financial advisors to the extent it deemed appropriate in

connection with the offering of the Series 2026 Bonds. The City has engaged Municipal Advisors of Mississippi, Inc. as its municipal advisor in connection with this transaction.

13. If and to the extent permitted by State law, the Bank and the City agree to indemnify the Underwriter (or any person who controls the Underwriter within the meaning of the Securities Act of 1933, as amended) and hold the Underwriter harmless against any loss, damage, claim, liability or expense (including reasonable cost of defense) arising out of or based upon any allegation that any of the information contained in the Preliminary Official Statement includes any untrue statement of a material fact or omits to state any material fact necessary in order to make statements therein in the light of the circumstances under which they were made not misleading, and will reimburse the Underwriter for any legal or other expenses reasonably incurred by them in investigating, defending or preparing to defend any such action or claim. The indemnity agreement in this paragraph shall be in addition to any liability that the Bank and/or the City may otherwise have to the Underwriter and shall extend upon the same terms and conditions to the officers, directors, agents or employees of the Underwriter and to each person, if any, who controls the Underwriter within the meaning of the Securities Act of 1933, as amended. Promptly after receipt by the Underwriter of notice of the commencement of any action, the Underwriter shall, if a claim in respect thereof is to be made against the Bank and/or the City under this paragraph, notify the Bank and the City in writing of the commencement thereof, but the omission so to notify the Bank and the City shall not relieve the Bank and/or the City from any liability which it may have to the Underwriter otherwise than under this paragraph. In case any such action shall be brought against the Underwriter and the Underwriter shall notify the Bank and the City of the commencement thereof, the Bank and/or the City shall be entitled to participate therein and, to the extent that one or both wish, to assume the defense thereof, with counsel reasonably satisfactory to such Underwriter and after notice from the Bank and/or the City to the Underwriter of their election so to assume the defense thereof, the Bank and/or the City shall not be liable to the Underwriter under this paragraph for any legal or other expenses subsequently incurred by such Underwriter in connection with the defense thereof other than reasonable out-of-pocket costs of any investigation; provided, however, that if the named parties to any such action (including any impleaded parties) include the Underwriter (or its officers, directors, agents or employees, or any person so controlling the Underwriter), the Bank and/or the City, and the Underwriter (or such officers, directors, agents or employees or any person so controlling the Underwriter) shall have reasonably concluded that there may be one or more legal defenses available to it which are different from or additional to those available to the Bank or the City, the Underwriter (or such officers, directors, agents or employees or such person so controlling the Underwriter) shall have the right to select separate counsel to assume such legal defenses and to otherwise participate in the defense of such action on behalf of the Underwriter (or such officers, directors, agent or employees or such person so controlling the Underwriter), and in such event the said fees and expenses of the Underwriter in defending such action shall be borne by the Bank and/or the City.

14. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi.

15. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

[The remainder of this page is intentionally left blank.]

Very truly yours,

Raymond James & Associates, Inc.

By: _____

Title: _____

Accepted and agreed to as of
5:00 o'clock p.m.,
Jackson, Mississippi time,
on the date first above written:

MISSISSIPPI DEVELOPMENT BANK

By: _____
Executive Director

CITY OF BILOXI, MISSISSIPPI

By: _____
Mayor

EXHIBIT D
FORM OF PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2026

ONE NEW ISSUE-BOOK ENTRY ONLY

RATINGS: S & P: _____

In the opinion of Wise Carter Child & Caraway, a Professional Association, Bond Counsel, under existing laws, regulations, and judicial decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2026 Bonds (as defined herein) is excludable from gross income for federal income tax purposes. Furthermore, in the opinion of Bond Counsel, interest on the Series 2026 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2026 Bonds is taken into account in determining annual adjusted financial statement income for purposes of computing the alternative minimum tax imposed on certain corporations. Bond Counsel is further of the opinion that under existing laws, regulations, rulings and judicial decisions, interest on the Series 2026 Bonds is exempt from income taxation in the State of Mississippi (the "State"). (See "TAX MATTERS" herein and "APPENDIX E - FORM OF BOND COUNSEL OPINION" attached hereto).

\$____,000,000*
Mississippi Development Bank
Special Obligation Bonds, Series 2026
(Biloxi, Mississippi General Obligation Bond Project)

Dated: Date of Delivery

Due: _____ 1, as set forth on inside cover

The \$____,000,000* Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project), dated the date of delivery thereof (the "Series 2026 Bonds"), being issued by Mississippi Development Bank (the "Bank"), will be issued as fully registered bonds, and shall initially be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Series 2026 Bonds. Purchasers will not receive certificates representing their ownership interest in the Series 2026 Bonds. So long as Cede & Co. is the registered owner, as nominee of DTC, of the Series 2026 Bonds, references herein to "Owners", "registered owners" or "Bondholders" shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Series 2026 Bonds. Beneficial ownership of the Series 2026 Bonds may be acquired in denominations of \$5,000 plus any integral multiple thereof.

Principal, premium, if any, and interest on the Series 2026 Bonds will be paid by The Peoples Bank, Biloxi, Mississippi, as trustee and paying agent (the "Trustee"). So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2026 Bonds, such payments will be made directly to Cede & Co. Disbursements of such payments to the Direct Participants (as defined herein) is the responsibility of DTC and disbursements of such payments to each person in whose name such Series 2026 Bond is recorded on the records of a Direct Participant ("Beneficial Owner") is the responsibility of the Direct Participants and the Indirect Participants (as defined herein), as more fully described herein under the caption "BOOK-ENTRY ONLY SYSTEM."

The Series 2026 Bonds will bear interest from their date of delivery until their respective maturities in the amounts and at the rates set forth on the inside cover hereof. Interest on the Series 2026 Bonds is payable on each _____ 1 and _____ 1, commencing _____ 1, 202__.

The Series 2026 Bonds are issued by the Bank for the principal purpose of providing funds to purchase that certain General Obligation Bond, Series 2026 (the "City Bond"), issued by the City of Biloxi, Mississippi (the "City") pursuant to a resolution of the City Council of the City adopted June 2, 2026 (the "City Bond Resolution"), which purchase will provide funds to the City to finance the Project (as defined herein).

The Series 2026 Bonds will be issued pursuant to an Indenture of Trust, dated as of _____ 1, 2026 (the "Indenture"), between the Bank and the Trustee. The Series 2026 Bonds are limited and special obligations of the Bank. The principal of, premium, if any, and interest on the Series 2026 Bonds will be payable solely from, and secured by, the Bank's pledge and assignment to the Trustee of the Trust Estate (as described herein), which includes the City Bond and payments derived therefrom. The Series 2026 Bonds do not constitute a debt, liability, or loan of the credit of the Bank, the State or any political subdivision thereof under the constitution and laws of the State or a pledge of the full faith and credit, taxing power or moral obligation of the Bank, the State or any political subdivision thereof. The City Bond, however, is secured by the full faith and credit and taxing power of the City. The Bank has no taxing power.

The Series 2026 Bonds are subject to optional redemption prior to their stated dates of maturity as more fully described in this Official Statement under the caption "DESCRIPTION OF THE SERIES 2026 BONDS – Redemption."

The Series 2026 Bonds are offered subject to the final approval of the legality thereof by Wise Carter Child & Caraway, a Professional Association, Gulfport, Mississippi, Bond Counsel. Certain legal matters will be passed upon for the Bank by its counsel, Balch & Bingham, Jackson, Mississippi and for the City by Peter Abide, City Attorney. Municipal Advisors of Mississippi, Inc., Gulfport, Mississippi serves as the Municipal Advisor to the Bank and the City in connection with the sale and issuance of the Series 2026 Bonds. The Series 2026 Bonds are expected to be available in definitive form for delivery on or about _____, 2026.*

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. PROSPECTIVE INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

RAYMOND JAMES®

* Preliminary, subject to change.

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of information permitted to be omitted under Rule 15c2-12(b)(1)). This Preliminary Official Statement and the information contained herein are subject to revisions, completion or amendment in the final Official Statement. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Maturity Schedules
SERIES 2026 BONDS*

Date of Maturity	Principal Amount	Interest Rate	Yield	Price**	CUSIP***
§					

* Preliminary, subject to change.

** Priced to the first optional redemption date of _____, 20__.

*** The CUSIP numbers listed above are being provided solely for the convenience of the holders of the Series 2026 Bonds only. The City and the Underwriter do not make any representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP numbers are subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of the Series 2026 Bonds.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFERING OF ANY SECURITY OTHER THAN THE ORIGINAL OFFERING OF THE SERIES 2026 BONDS IDENTIFIED ON THE COVER AND INSIDE COVER HEREOF. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THAT CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, AND THERE SHALL NOT BE ANY SALE OF THE SERIES 2026 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION AND EXPRESSION OF OPINIONS HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR THE SALE OF ANY OF THE SERIES 2026 BONDS SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

INFORMATION HEREIN HAS BEEN OBTAINED FROM THE BANK, THE CITY, DTC AND OTHER SOURCES BELIEVED TO BE RELIABLE, BUT THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION IS NOT GUARANTEED BY THE UNDERWRITER.

UPON ISSUANCE, THE SERIES 2026 BONDS WILL NOT BE REGISTERED BY THE BANK UNDER 15 U.S.C. SECTION 77A ET SEQ. (THE "SECURITIES ACT OF 1933"), AS AMENDED FROM TIME TO TIME, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY OR AGENCY, OTHER THAN THE BANK AND THE CITY (TO THE EXTENT DESCRIBED HEREIN), WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE SERIES 2026 BONDS FOR SALE.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT OR AGREEMENT BETWEEN THE BANK OR THE CITY AND THE UNDERWRITER OR BONDHOLDERS OF THE SERIES 2026 BONDS. ALL ESTIMATES AND ASSUMPTIONS CONTAINED HEREIN ARE BELIEVED TO BE REASONABLE, BUT NO REPRESENTATION IS MADE THAT SUCH ESTIMATES OR ASSUMPTIONS ARE CORRECT OR WILL BE REALIZED.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2026 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT CONTAINS FORECASTS, PROJECTIONS AND ESTIMATES THAT ARE BASED ON EXPECTATIONS AND ASSUMPTIONS WHICH EXISTED AT THE TIME SUCH FORECASTS, PROJECTIONS AND ESTIMATES WERE PREPARED. IN LIGHT OF THE IMPORTANT FACTORS THAT MAY MATERIALLY AFFECT ECONOMIC CONDITIONS OF THE BANK AND THE CITY, THE INCLUSION IN THIS OFFICIAL STATEMENT OF SUCH FORECASTS, PROJECTIONS AND ESTIMATES SHOULD NOT BE REGARDED AS A REPRESENTATION BY THE BANK, THE CITY OR THE

UNDERWRITER THAT SUCH FORECASTS, PROJECTIONS AND ESTIMATES WILL OCCUR. SUCH FORECASTS, PROJECTIONS AND ESTIMATES ARE NOT INTENDED AS REPRESENTATIONS OF FACT OR GUARANTEES OF RESULTS.

IF AND WHEN INCLUDED IN THIS OFFICIAL STATEMENT, THE WORDS "EXPECTS," "FORECASTS," "PROJECTS," "INTENDS," "ANTICIPATES," "ESTIMATES" AND ANALOGOUS EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS AND ANY SUCH STATEMENTS INHERENTLY ARE SUBJECT TO A VARIETY OF RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE PROJECTED. SUCH RISKS AND UNCERTAINTIES INCLUDE, AMONG OTHERS, GENERAL ECONOMIC AND BUSINESS CONDITIONS, CHANGES IN POLITICAL, SOCIAL AND ECONOMIC CONDITIONS, REGULATORY INITIATIVES AND COMPLIANCE WITH GOVERNMENTAL REGULATIONS, LITIGATION AND VARIOUS OTHER EVENTS, CONDITIONS AND CIRCUMSTANCES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE BANK AND THE CITY. THESE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS OFFICIAL STATEMENT. EACH OF THE BANK AND THE CITY DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO RELEASE PUBLICLY ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN TO REFLECT ANY CHANGE IN ITS EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.

THE UNDERWRITER HAS PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. "THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION."

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS OFFICIAL STATEMENT ARE FOR CONVENIENCE OF REFERENCE ONLY, AND IN NO WAY DEFINE, LIMIT OR DESCRIBE THE SCOPE OR INTENT, OR AFFECT THE MEANING OR CONSTRUCTION, OF ANY PROVISION OR SECTIONS OF THIS OFFICIAL STATEMENT. THE OFFERING OF THE SERIES 2026 BONDS IS MADE ONLY BY MEANS OF THIS OFFICIAL STATEMENT.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: WWW.MUNIOS.COM. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IS PRINTED IN ITS ENTIRETY FROM SUCH WEBSITE.

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OFFICIAL STATEMENT

\$ __,000,000*
Mississippi Development Bank
Special Obligation Bonds, Series 2026
(Biloxi, Mississippi General Obligation Bond Project)

INTRODUCTION

This Introduction is not a summary of this Official Statement and is subject in all respects to the more complete information set forth in this Official Statement. The descriptions and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all terms and conditions. All statements herein regarding any such document are qualified in their entirety by reference to such document. Each of the Appendices hereto is an integral part of this Official Statement and should be read in its entirety.

Capitalized terms used but not defined herein shall have the definitions set forth in "APPENDIX C - FORM OF INDENTURE OF TRUST" or "APPENDIX D – FORM OF CITY BOND RESOLUTION" unless the context clearly requires otherwise. References herein to captions and to appendices shall refer to the captions herein and to the appendices attached hereto, respectively.

Purpose of the Official Statement

The purpose of this Official Statement, including the cover page, inside cover and Appendices (the "Official Statement"), is to furnish certain information with respect to the issuance, sale and delivery by the Mississippi Development Bank (the "Bank") of its Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Project), dated the date of delivery thereof (the "Series 2026 Bonds"), in the aggregate principal amount of \$ __,000,000.*

The Bank

The Bank was established in 1986 as a separate body corporate and politic of the State of Mississippi (the "State") for the public purposes set forth under the provisions of Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended (the "Bank Act"). The Bank is not an agency of the State, is separate from the State in its corporate and sovereign capacity and has no taxing power. The Bank is governed by a Board of Directors composed of nine members.

Pursuant to the Bank Act, the purpose of the Bank is to assist "local governmental units," defined in the Bank Act as (i) any county, municipality, utility district, regional solid waste authority, county cooperative service district or political subdivision of the State, (ii) the State or any agency thereof, (iii) the institutions of higher learning of the State, (iv) any education building corporation established for institutions of higher learning, or (v) any other governmental unit created under State law, through programs of making loans to such local governmental units. The City of Biloxi, Mississippi (the "City"), the entity described in "APPENDIX A - INFORMATION ON THE CITY," is such a local governmental unit.

*Preliminary, subject to change.

Sources of Payment and Security for the Series 2026 Bonds

The proceeds of the Series 2026 Bonds will be used to purchase the City's \$ __,000,000* General Obligation Bond, Series 2026, dated the date of delivery by the City (the "City Bond"), and issued pursuant to a resolution of the City adopted by the City Council of the City and approved by the Mayor of the City (together, the "Governing Body") on June 16, 2026 (the "City Bond Resolution"). The purchase of the City Bond will provide funds to finance the Project (as defined below). The City Bond will be issued pursuant to the Bank Act and Sections 21-33-301 et seq., Mississippi Code of 1972, as amended (the "City Bond Act" and, together with the Bank Act, the "Act").

The Series 2026 Bonds will be issued under and secured by an Indenture of Trust dated the date of delivery (the "Indenture") between the Bank and The Peoples Bank, Biloxi, Mississippi, as trustee (the "Trustee"). The Series 2026 Bonds, together with any refunding bonds that may be authorized and issued by the Bank under the Indenture on a parity with the Series 2026 Bonds (the "Refunding Bonds" and, collectively with the Series 2026 Bonds, the "Bonds"), will be parity bonds equally secured by and payable from the Trust Estate established under the Indenture (the "Trust Estate"), defined as (i) all cash and securities in the funds and accounts established by the Indenture (except the Rebate Fund, as described herein) (the "Funds" and "Accounts") and the investment earnings thereon and all proceeds thereof (except to the extent held in or transferred to the Rebate Fund), (ii) the City Bond and the earnings thereon and the proceeds thereof and the rights and privileges of the Bank under the City Bond Resolution, and (iii) all funds, accounts and moneys hereafter pledged by the Bank to the Trustee as security under the Indenture to the extent of such pledge. Pursuant to the Indenture, all Bonds will be secured equally and ratably by all of the foregoing. The sources of payment for the Series 2026 Bonds are further described herein under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS" and in "APPENDIX C - FORM OF INDENTURE OF TRUST."

The principal of, premium, if any, and interest on the City Bond are payable out of certain revenues as hereinafter described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS" and in "APPENDIX D - FORM OF CITY BOND RESOLUTION." The City Bond is a general obligation of the City.

The full faith and credit and taxing power of the State are not pledged to the payment of the principal of, premium, if any, and interest on any of the Series 2026 Bonds. The Series 2026 Bonds are not a debt, liability, loan of the credit or pledge of the full faith and credit or a moral obligation of the State or of any political subdivision thereof, but is a special obligation of the Bank payable solely from the Trust Estate. The Bank has no taxing power and has only those powers and sources of revenue set forth in the Bank Act. The Series 2026 Bonds are issued and secured separately from any other obligations issued by the Bank.

Purpose of the Series 2026 Bonds and the Project

The Series 2026 Bonds are being issued pursuant to the Act to provide funds (a) to purchase the City Bond from the City to provide funds for certain capital projects and improvements which shall consist of any of the following: erecting municipal buildings, armories, auditoriums, community centers, gymnasiums and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same and for erecting, equipping and furnishing of buildings to be used as a municipal or civic arts center; erecting or purchasing waterworks, gas, electric and other public utility plants or distribution systems or franchises, and repairing, improving and extending the same; purchasing or constructing, repairing, improving and equipping buildings for public libraries and for purchasing land, equipment and books therefor, whether the title to

* Preliminary, subject to change.

same be vested in the Municipality or in some subdivision of the state government other than the Municipality, or jointly in the Municipality and other such subdivision; establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; protecting the municipality, its streets and sidewalks from overflow, caving banks and other like dangers; constructing, improving and paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; purchasing land for parks, cemeteries and public playgrounds, and improving, equipping and adorning the same, including the constructing, repairing and equipping of swimming pools and other recreational facilities; constructing bridges and culverts; constructing, repairing and improving wharves, docks, harbors and appurtenant facilities, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect or guide the current thereof; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; purchasing or renting voting machines and any other election equipment needed in elections held in the municipality; purchasing machinery and heavy equipment which have an expected useful life in excess of ten (10) years, but specifically not including any motor vehicles weighing less than twelve thousand (12,000) pounds; and for other authorized purposes under the City Bond Act (the "Construction Project"); and (b) to fund the Bond Issuance Expense Account of the General Fund established under the Indenture to pay the costs of issuance of the Series 2026 Bonds and the City Bond ("Costs of Issuance").

The proceeds received by the City from the sale of the City Bond to the Bank will be deposited in the 2026 Construction Fund established pursuant to the City Bond Resolution and used solely for the purposes stated above.

The purposes for which the Series 2026 Bonds are issued are hereinafter collectively referred to as the "Project."

Authority for Issuance

The Series 2026 Bonds are issued pursuant to the provisions of the Act and the Indenture.

Description of the Series 2026 Bonds

Optional Redemption. The Series 2026 Bonds maturing on or after _____, 20__ are subject to optional redemption prior to their stated dates of maturity, in whole or in part, on any date on or after _____ 1, 20__ at par, plus accrued interest to the date of redemption.

Denominations. The Series 2026 Bonds will be issued in denominations of \$ _____ or any integral multiple of \$ _____.

Registration, Transfers, and Exchanges. The Series 2026 Bonds will be issued as book-entry only bonds in the form of one bond for each maturity, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). So long as any of the Series 2026 Bonds are outstanding, the Bank shall maintain with the Trustee records for the registration and transfer of the Series 2026 Bonds. The Trustee is appointed registrar for the Series 2026 Bonds, in which capacity the Trustee shall register in such records and permit to be transferred thereon, under such reasonable regulations as may be prescribed, any Series 2026 Bond entitled to registration or transfer.

Payments. Interest on the Series 2026 Bonds is payable on each _____ 1 and _____ 1, commencing _____ 1, 202__ (each, an "Interest Payment Date"). Principal and redemption premium, if any, of the Series 2026 Bonds will be payable at the principal corporate trust office of Trustee on each _____ 1, commencing _____ 1, 202__, in the principal amounts and in the years as set forth on the inside cover of this Official Statement. Interest on the Series 2026 Bonds will be payable by check or draft

mailed on the Interest Payment Date by the Trustee to the registered owners of the Series 2026 Bonds at the addresses appearing in the registration records held by the Trustee as of the close of business on the 15th day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

For a more complete description of the Series 2026 Bonds and the basic documentation pursuant to which the Series 2026 Bonds are being issued, see the information under the captions "DESCRIPTION OF THE SERIES 2026 BONDS," "REVENUES, FUNDS AND ACCOUNTS UNDER THE INDENTURE," and "OPERATION OF FUNDS AND ACCOUNTS UNDER THE INDENTURE."

Tax Exemption

In the opinion of Bond Counsel, under existing laws, regulations, rulings, and judicial decisions, interest on the Series 2026 Bonds is excludable from gross income for federal tax purposes, with such exclusion conditioned upon the accuracy of certain representations of, and the continuing compliance with certain tax covenants of, the Bank and the City. Interest on the Series 2026 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2026 Bonds is taken into account in determining annual adjusted financial statement income for purposes of computing the alternative minimum tax imposed on "applicable corporations" (as defined in Section 59(k)(1) of the Internal Revenue Code of 1986 (as the same has been and may be amended from time to time, the "Code")).

The Series 2026 Bonds are not being offered as qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code.

Under existing laws, regulations, rulings, and judicial decisions, interest on the Series 2026 Bonds is exempt from Mississippi income taxation.

For a more complete description of such opinion and certain other tax consequences incident to the ownership of the Series 2026 Bonds, see the information under the caption "TAX MATTERS." See "APPENDIX E - FORM OF BOND COUNSEL OPINION" for the proposed form of bond counsel opinion.

Professionals Involved in the Offering

The Peoples Bank, Biloxi, Mississippi, will act as Trustee under the Indenture and as paying agent (the "Paying Agent") for the Series 2026 Bonds. Municipal Advisors of Mississippi, Inc., Gulfport, Mississippi, is employed as financial advisor (the "Municipal Advisor") to the Bank and the City with respect to the Series 2026 Bonds. Certain proceedings in connection with the issuance of the Series 2026 Bonds are subject to the approval of Wise Carter Child & Caraway, a Professional Association, Gulfport, Mississippi, Bond Counsel. Certain legal matters will be passed upon for the Bank by Balch & Bingham, LLP, Jackson, Mississippi, and for the City by Peter Abide, City Attorney. See the information under the captions "LEGAL MATTERS" and "MISCELLANEOUS."

Offering and Delivery of the Series 2026 Bonds

The Series 2026 Bonds are being offered for sale pursuant to a Bond Purchase Agreement (the "Bank Bond Purchase Agreement") by and among the Bank, the City and Raymond James & Associates, Inc., Memphis, Tennessee (the "Underwriter"). The Series 2026 Bonds are expected to be available in definitive form through the registration facilities of DTC for delivery in New York, New York on or about _____, 2026.

Risks to the Owners of the Series 2026 Bonds

There are certain risks involved in the ownership of the Series 2026 Bonds which should be considered by prospective purchasers. The ability of the Bank to pay principal of, premium, if any, and interest on the Series 2026 Bonds depends primarily upon the receipt by the Trustee, as assignee of the Bank, of principal, premium, if any, and interest payments on the City Bond (the "City Bond Payments"), together with investment earnings on certain amounts in the Funds and Accounts defined in and established under the Indenture. There can be no representation or assurance that the City will realize sufficient tax and other revenues to make the required City Bond Payments. See the information under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS." Failure of the Bank and/or the City to comply with certain tax covenants may also adversely affect the tax-exempt status of the interest on all of the Series 2026 Bonds. See the information under the caption "RISKS TO THE OWNERS OF THE SERIES 2026 BONDS."

Other Information

This Official Statement speaks only as of its date, and certain information contained herein is subject to change.

Copies of other documents and information are available, upon request, and upon payment to the Bank of a charge for copying, mailing, and handling, from Larry W. Mobley, Executive Director and Treasurer, Mississippi Development Bank, 735 Riverside Drive, Suite 300, Jackson, Mississippi 39202, telephone (601) 355-6232.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Bank, the City and DTC and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Bank or the City since the date hereof.

The Series 2026 Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended.

Format of Official Statement

There follows in this Official Statement a description of the security and sources of payment for the Series 2026 Bonds, the purposes to be financed out of the proceeds of the Series 2026 Bonds, the Bank and the City, and summaries of certain provisions of the Series 2026 Bonds, the Indenture, the City Bond Resolution and certain provisions of the Act. All discussions of the Act, the Indenture and the City Bond Resolution are qualified in their entirety by reference to the Act, copies of which are available from the Bank, and the Indenture and the City Bond Resolution, the forms of which are set forth in "APPENDIX C - FORM OF INDENTURE OF TRUST" and "APPENDIX D - FORM OF CITY BOND RESOLUTION." All discussions of the Series 2026 Bonds are qualified in their entirety by reference to the definitive form thereof and the information with respect to the Series 2026 Bonds contained in the Indenture. Certain information relating to the City is set forth in "APPENDIX A - INFORMATION ON THE CITY," certain financial and economic information relating to the City is included in "APPENDIX B - FINANCIAL

INFORMATION FOR THE CITY," the form of the Indenture is set forth in "APPENDIX C - FORM OF INDENTURE OF TRUST," the forms of the City Bond Resolution and the City Bond are set forth in "APPENDIX D - FORM OF CITY BOND RESOLUTION, the proposed form of opinion of Bond Counsel with respect to the Series 2026 Bonds is set forth in "APPENDIX E - FORM OF BOND COUNSEL OPINION," and the form of the Continuing Disclosure Certificate of the City is set forth in "APPENDIX F - FORM OF CONTINUING DISCLOSURE CERTIFICATE." Each of the Appendices to this Official Statement is an integral part of this Official Statement and should be read in its entirety by any and all owners or prospective owners of the Series 2026 Bonds.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS

General

The Series 2026 Bonds are payable only out of the Trust Estate. The Indenture creates a continuing pledge of and lien upon the Trust Estate to secure the full and final payment of the principal of, premium, if any, and interest on all of the Series 2026 Bonds. The Series 2026 Bonds do not constitute a debt, liability or loan of the credit of the State or any political subdivision thereof under the constitution of the State or a pledge of the faith, credit and taxing power of the State or any political subdivision thereof. The City Bond, however, is a general obligation of the City. The Bank has no taxing power. The sources of payment of, and security for, the Series 2026 Bonds are more fully described below.

Under the Indenture, the Series 2026 Bonds are secured by the assignment to the Trustee of the City Bond and all City Bond Payments, as described herein. In addition, the Indenture pledges to the payment of the Series 2026 Bonds the Trust Estate, including without limitation all cash and securities held in the Funds and Accounts (other than the Rebate Fund), together with investment earnings thereon and proceeds thereof (except to the extent held in or transferred to the Rebate Fund), and all other funds, accounts and moneys to the extent pledged by the Bank to the Trustee as security under the Indenture.

The City Bond Resolution and the City Bond

From the proceeds of the Series 2026 Bonds, the Bank intends to purchase the City Bond pursuant to the City Bond Purchase Agreement. The Bank will assign to the Trustee under the Indenture, as security for the Series 2026 Bonds, its rights and privileges under the City Bond Resolution, the City Bond and the City Bond Payments, all as described under the caption "THE CITY BOND" and in "APPENDIX D - FORM OF CITY BOND RESOLUTION."

Provisions for Payment of the City Bond

The City Bond will be a general obligation of the City. The City Bond Resolution provides that the City is obligated to make payments secured by the full faith, credit and taxing power of the City in an aggregate amount sufficient, with any other funds available therefor, for the payment in full of the principal of and interest on all Series 2026 Bonds issued and outstanding under the Indenture, and to pay certain costs, expenses and charges of the Bank and the Trustee.

In the City Bond Resolution, the City covenants to levy a direct, continuing special tax upon all of the taxable property within the geographical limits of the City, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and interest on the City Bond; provided, however, that such tax levy for any year shall be abated to the extent that the City on or prior to September 1 of that year has transferred money to the 2026 Bond Fund of the City Bond, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on, the City Bond due during the ensuing fiscal

year of the City, in accordance with the City Bond Resolution. Said tax shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the City are collected, and the rate of tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to time, rate or amount. The avails of said tax are irrevocably pledged in the City Bond Resolution for the payment of the principal of and interest on the City Bond as the same shall respectively mature and accrue.

The City Bond will never, within the meaning of any constitutional or statutory limitation, be a debt, liability, or obligation of the State or any political subdivision of the State other than the City, and neither the full faith and credit nor tax power or moral obligation of the State or any political subdivision thereof is pledged to the payment of the principal, premium, if any, and interest on the City Bond; provided, however that the City Bond is a general obligation of the City.

The execution and delivery of the City Bond Resolution and the City Bond have been authorized by the Governing Body of the City pursuant to the Act. See "APPENDIX D - FORM OF THE CITY BOND RESOLUTION" for further description of the City Bond Resolution and the City Bond.

RISKS TO THE OWNERS OF THE SERIES 2026 BONDS

General

The Series 2026 Bonds will be payable solely from the payments to be received under the Indenture. Pursuant to the Indenture, such payments are limited to City Bond Payments payable by the City under the City Bond Resolution and the City Bond. Purchasers of the Series 2026 Bonds are advised of certain risk factors with respect to the Series 2026 Bonds.

In addition, purchasers of the Series 2026 Bonds are advised of certain additional information in connection with the City as set forth in "APPENDIX A – INFORMATION ON THE CITY" and "APPENDIX B – FINANCIAL INFORMATION FOR THE CITY." Such information relates to the ability of the City to make the City Bond Payments.

City Bond Payments

The ability of the Bank to pay principal of, premium, if any, and interest on the Series 2026 Bonds depends upon the receipt by the Bank of the City Bond Payments which the City is obligated, under the City Bond Resolution, to make to the Bank, together with earnings on the amounts in the Funds and Accounts created under the Indenture sufficient to make such payments. The City has agreed to deposit with the Trustee, as assignee of the Bank, on or prior to the fifth Business Day preceding each Interest Payment Date an amount which is sufficient to pay the principal of and interest on the Series 2026 Bonds due on such Interest Payment Date. If the City fails to make such deposit, there is no Fund or Account which is required to contain amounts to make up for any deficiencies, and there is no source from which the General Fund will be replenished except the City Bond Payments and investment income on moneys in the Funds and Accounts (but not income on moneys in the Rebate Fund or moneys deposited with or paid to the Trustee exclusively for the redemption of Bonds, notice of the redemption of which has been duly given). No reserve fund is created in the Indenture or the City Bond Resolution to pay debt service on the Series 2026 Bonds or the City Bond. For a description of the City and the City Bond, see "APPENDIX A - INFORMATION ON THE CITY" and "APPENDIX D - FORM OF CITY BOND RESOLUTION". Certain financial statements and budgets of the City are contained in "APPENDIX B - FINANCIAL INFORMATION FOR THE CITY." For a description of procedures for providing for the payment of the City Bonds, see the information under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS - Provisions for Payment of the City Bonds."

The Tax Levy

The pledge of the full faith and credit granted by the City in the City Bond Resolution may be limited by a number of factors, including the ability to collect levied taxes. Under current law, such a pledge and assignment as provided by the City Bond Resolution may be further limited by the following: (a) statutory liens; (b) rights arising in favor of the United States of America or any agency thereof; (c) prohibitions against assignment set forth in federal statutes; (d) constructive trusts, equitable liens or other rights which might be impressed or conferred by any state or federal court in the exercise of equitable jurisdiction; (e) federal bankruptcy laws affecting taxes and other revenues of the City received within ninety days preceding and after any effectual institution of bankruptcy, liquidation or reorganization proceedings by or against the City; (f) rights of third parties in revenues converted to cash and not in the possession of the Trustee; and (g) sales, liens and/or pledges made by the City. If an Event of Default does occur, it is uncertain that the Trustee could successfully obtain an adequate remedy at law or in equity.

Furthermore, the qualified electors of the State voted in a general election held on November 7, 1995, to amend the Mississippi Constitution of 1890 (the "Constitution") to add the following new Section 172A (the "Amendment"):

SECTION 172A. Neither the Supreme Court nor any inferior court of this state shall have the power to instruct or order the state or any political subdivision thereof, or an official of the state or any political subdivision, to levy or increase taxes.

The Amendment does not affect the underlying obligation to pay the principal of and interest on the City Bond as it becomes due, nor does it affect the obligation to levy a tax sufficient to pay the principal of and interest on the City Bond. However, even though it appears that the Amendment was not intended to affect remedies of a holder of the City Bond in the event of a payment default, it potentially prevents such holder from obtaining a writ of mandamus or taking action in a State court to compel the levying of taxes sufficient to make the City Bond Payments. It is not certain whether the Amendment would affect the right of a Federal Court to direct the levy of a tax to satisfy a contractual obligation. Other effective remedies are available to the holder of the City Bond in the event of a payment default with respect to the City Bond. For example, such holder can seek a writ of mandamus to compel the City to use any legally available moneys to pay the debt service on the City Bond, and if such writ of mandamus is issued and public officials fail to comply with such writ, then such public officials may be held in contempt of court. In addition, pursuant to Mississippi Constitution Section 175, all public officials who are guilty of willful neglect of duty may be removed from office.

Tax-Exempt Status of Interest on the Series 2026 Bonds

The Code imposes a number of requirements that must be satisfied for interest on state and local obligations, such as the Series 2026 Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of proceeds of the Series 2026 Bonds, limitations on the investment earnings of proceeds of the Series 2026 Bonds prior to expenditure, a requirement that certain investment earnings on proceeds of the Series 2026 Bonds be paid periodically to the United States, and a requirement that the Bank file an information report with the Internal Revenue Service (the "IRS"). The Bank has covenanted under the Indenture to comply with all actions required to assure the continuing excludability of interest on the Series 2026 Bonds from gross income of the holders thereof for federal income tax purposes. In the City Bond Resolution, the City has made similar covenants regarding the preservation of the tax-exempt status of the interest on the City Bond for federal income tax purposes. Failure by the Bank or the City to comply with the requirements stated in the Code and related regulations, rulings and policies may result in the interest on the Series 2026 Bonds becoming included in gross income retroactively to the date of issuance. In such event, the Indenture neither contains any specific

provision for mandatory acceleration of the Series 2026 Bonds nor does it provide that any additional interest will be paid to the holders of the Series 2026 Bonds.

Future legislation, if enacted into law, may cause interest on the Series 2026 Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent Beneficial Owners (as defined under the caption "BOOK-ENTRY ONLY SYSTEM") from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislation may also affect the market price for, or marketability of, the Series 2026 Bonds. Prospective purchasers of the Series 2026 Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation.

The opinion of Bond Counsel with respect to the Series 2026 Bonds represents Bond Counsel's judgment as to the proper treatment of interest on the Series 2026 Bonds for federal income tax purposes. It is not binding on the IRS or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Bank or the City or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof, or the enforcement thereof by the IRS.

The Series 2026 Bonds may be, from time to time, subject to audits by the IRS. The Bank and the City believe that the Series 2026 Bonds properly comply with the applicable tax laws. In addition, Bond Counsel will render an opinion with respect to the federal and State tax-exempt status of the interest on the Series 2026 Bonds, as described under the caption "TAX MATTERS." However, no ruling with respect to the federal or State tax-exempt status of the interest on the Series 2026 Bonds has been or will be sought from the IRS, and opinions of counsel are not binding on the IRS or the courts and are not guarantees. There can be no assurance that an audit of the Series 2026 Bonds will not adversely affect the status of interest on the Series 2026 Bonds for federal income tax purposes.

Rating

There is no assurance that the rating assigned to the Series 2026 Bonds at the time of issuance will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for and marketability of the Series 2026 Bonds.

Remedies; Litigation; Bankruptcy

The remedies available to the Trustee, to the Bank or to the owners of the Series 2026 Bonds upon an Event of Default under the Indenture or under the terms of the City Bond Resolution and the City Bond are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the "Bankruptcy Code"), the remedies provided in the Indenture and under the City Bond may not be readily available or may be limited.

The City and the Bank may each be considered to be a "Municipality" as that term is defined in the Bankruptcy Code. Section 109(c) of the Bankruptcy Code prescribes the conditions and circumstances under which a Municipality may file a petition for relief under the Bankruptcy Code. As a debtor, a Municipality may only file for relief pursuant to Chapter 9 of the Bankruptcy Code ("Chapter 9"). Pursuant to Section 303(a) of the Bankruptcy Code, no creditor or judgment holder of a Municipality may file a Chapter 9 petition on behalf of a Municipality.

Pursuant to Section 109(c)(2) of the Bankruptcy Code, before a Municipality may file a petition under Chapter 9 of the Bankruptcy Code, a Municipality must be specifically authorized by (a) state law or (b) a governmental officer or organization empowered to authorize such a filing. Accordingly, before a Municipality in the State may file for Chapter 9 protection, it must have specific authority granted to it.

Currently, there is no State statute that prescribes, authorizes or otherwise contains authorization for any Municipality to file for Chapter 9 protection, or delegates such authority to a governmental officer or organization. Therefore, in order for a State Municipality, including the City and the Bank, to file for Chapter 9 relief, the Municipality must obtain specific authority from the State Legislature.

The State Legislature is comprised of the Senate and the House of Representatives. The Senate is composed of 52 members, and the House of Representatives consists of 122 members. Each member of each chamber is elected to a four-year term. In the State, the Legislature convenes annually on the first Tuesday after the first Monday each January. Regular sessions of the State Legislature last 90 days in all years of an administration except for the first session after a new governor has been elected, when a 125-day session is held.

In order to obtain specific authority from the State Legislature to file for relief pursuant to Chapter 9, a Municipality would have to request both houses during the annual session of the State Legislature, or a special session of the State Legislature called for such purpose, to approve a bill authorizing the Municipality to file for relief pursuant to Chapter 9 and such bill would have to be signed into law by the Governor of the State. There is no appeal process or any other proceeding under current State law that the Municipality may pursue if such requested specific authority is not granted by the State Legislature.

If the City were to become a debtor under the Bankruptcy Code, payments under the City Bond Resolution and the City Bond may be stayed or under certain circumstances may be subject to avoidance or disgorgement and the interest of the Trustee in such payments may not extend to payments received after the commencement of such bankruptcy case or within 90 days prior thereto. The various legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally (regardless of whether such enforceability is considered in a proceeding in equity or in law), by general principles of equity (regardless of whether such proceeding is considered in a proceeding in equity or at law) and by the valid exercise of the constitutional powers of the State and the United States of America.

Furthermore, if a bankruptcy court concludes that the Trustee has "adequate protection," it may enter orders affecting the security of the Trustee, including orders providing for the substitution, subordination and sale of the security of the Trustee. In addition, a reorganization plan may be adopted even though it has not been accepted by the Trustee if the Trustee is provided with the benefit of its original lien or the "indubitable equivalent." Thus, in the event of the bankruptcy of the City, the amount realized by the Trustee may depend on the bankruptcy court's interpretation of "indubitable equivalent" and "adequate protection" under the then existing circumstances. The bankruptcy court may also have the power to invalidate certain provisions of the City Bond Resolution, the City Bond or related documents that make bankruptcy and related proceedings by the City an "event of default" thereunder. All of these events would adversely affect the payment of debt service on the Series 2026 Bonds.

Marketability of the Series 2026 Bonds

There can be no assurance that there will be a secondary market for the purchase or sale of the Series 2026 Bonds. From time to time there may be no market for them depending upon prevailing market conditions, including the financial condition or market position of firms who may make the secondary market and the evaluation of the City's financial condition.

Risk of Early Redemption

There are a number of circumstances under which all or a portion of the Series 2026 Bonds may be redeemed prior to their stated maturity.

Amendments and Supplements to the Indenture

Certain amendments to the Indenture may be made with the consent of less than all of the holders of the Series 2026 Bonds, and in some cases without the consent of any of the holders of the Series 2026 Bonds. Such amendments may adversely affect the security of owners of the Series 2026 Bonds. See "APPENDIX C – FORM OF INDENTURE OF TRUST."

Cybersecurity Risk Management

The City, like many other public and private entities, relies on a large and complex technology system to conduct its operations and faces multiple cyber security risks including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). As a recipient and provider of sensitive information, the City may be the target of cyber security incidents that could result in adverse consequences to the City and its Systems Technology, requiring a response action to mitigate the consequences. Cyber security incidents could result from unintentional events or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the City's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. The City has in place daily backup processes to help mitigate the potential damage from such incidents. The City has implemented certain data and network security measures, including a recently upgraded firewall, CrowdStrike protection that inspects all incoming email, malware protection, security configuration, website filtering and protection, and user training, to mitigate the risk of cyber security breaches from internal sources or activities. The City has personnel policies in place for the City's computer systems and networks detailing the security of the systems by only designated personnel and password securities in place by user.

Hurricane Risk

The City's coastal location and sub-tropical climate make extreme weather events (including but not limited to storms, hurricanes, tornadoes, flooding, and coastal erosion) and damage from those events likely to occur before the final maturity of the Series 2026 Bonds. The City mitigates the risk of damage through regular emergency planning with Harrison County and the Mississippi Emergency Management Agency, and phased preparation activity as storms approach. Since Hurricane Katrina, emergency operations centers have been hardened and building codes strengthened to reduce the risk of damage from winds, flooding, and storm surge. Despite its preparations and centuries of experience recovering from catastrophic events, the City cannot guarantee that it will be able to restore any of its public services following future catastrophic event(s) or that residents will stay in or tourists will return to the area.

DESCRIPTION OF THE SERIES 2026 BONDS

General Description

The Series 2026 Bonds are issuable under the Indenture as book-entry only bonds registered in the name of Cede & Co., as nominee of DTC. Purchases of beneficial interests from DTC in the Series 2026 Bonds will be made in book-entry only form (without certificates) in the denomination of \$5,000 or any integral multiple thereof.

The Series 2026 Bonds will mature in the amounts and on the dates, and bear interest at the rates per annum, set forth on the inside cover page of this Official Statement. Interest on the Series 2026 Bonds will be payable on each _____ 1 and _____ 1, commencing _____ 1, 202___. Interest will be calculated on the basis of a 360-day year consisting of twelve thirty-day months.

Each Series 2026 Bond will be dated the date of delivery. If any Series 2026 Bond is authenticated on or prior to [the first interest payment date], it will bear interest from its dated date. Each Series 2026 Bond authenticated after [the first interest payment date], will bear interest from the most recent Interest Payment Date on which interest was paid on or prior to the date of authentication of such Series 2026 Bond, unless such Series 2026 Bond is authenticated after the fifteenth day of the month next preceding an Interest Payment Date (the "Record Date") and on or prior to such following Interest Payment Date, in which case such Series 2026 Bond will bear interest from such following Interest Payment Date.

So long as DTC or its nominee is the Registered Owner of the Series 2026 Bonds, payments of the principal of and premium, if any, and interest on the Series 2026 Bonds will be made directly by the Trustee by wire transfer of funds to Cede & Co., as nominee for DTC. Disbursement of such payment to the participants of DTC (the "DTC Participants") will be the sole responsibility of DTC, and the ultimate disbursement of such payments to the Beneficial Owners (as defined herein) of the Series 2026 Bonds will be the responsibility of the DTC Participants and the Indirect Participants (as defined herein).

At any time that the Series 2026 Bonds are no longer in a book-entry only system, the principal of the Series 2026 Bonds will be payable upon maturity or redemption at the principal corporate trust office of the Trustee in Biloxi, Mississippi, and interest on the Series 2026 Bonds will be paid by check of the Trustee dated the due date and mailed or delivered on or before the Interest Payment Date to the Registered Owners of record as of the close of business on the most recent Record Date or, at the written election of the registered owner of \$1,000,000 or more in aggregate principal amount of Series 2026 Bonds delivered to the Trustee at least one Business Day prior to the Record Date for which such election will be effective, by wire transfer to the Registered Owner or by deposit into the account of the Registered Owner if such account is maintained by the Trustee.

Redemption

Optional Redemption. At the request of the City, the Series 2026 Bonds (or any portions thereof in integral multiples of \$5,000 each) maturing on or after _____ 1, 20____, are subject to redemption prior to their stated dates of maturity in whole or in part, in principal amounts and maturities selected by the Bank at the direction of the City, on _____ 1, 20____ or on any date thereafter, at par, plus accrued interest to the date of redemption. Under the Indenture, selection of Series 2026 Bonds to be redeemed within a maturity will be made by the Trustee by lot. In accordance with DTC's standard practices and its agreement with the Bank, DTC and the DTC Participants will make this selection so long as the Series 2026 Bonds are in book-entry only form.

Mandatory Sinking Fund Redemption. The Series 2026 Bonds maturing on _____ 1, 20____, are term bonds subject to mandatory sinking fund redemption prior to their scheduled maturity on _____ 1 of the years listed below at a redemption price of 100% of the principal amount redeemed plus accrued interest to the redemption date from amounts on deposit in the General Account of the General Fund in accordance with the following schedule:

Year	Principal Amount
20____	\$ _____
20____	_____
20____	_____]

Notice of Redemption. Notice of the call for any redemption (which may be conditional), identifying the Series 2026 Bonds (or any portions thereof in integral multiples of \$5,000 each) to be redeemed, will be given by the Trustee at least 30 but not more than 45 days prior to the date fixed for

redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Series 2026 Bond to be redeemed at the address of such Bondholder shown on the registration records and to the Underwriter. Failure to mail any such notice to any particular owner of Series 2026 Bonds or any defect therein will not affect the validity of the call for the redemption of any other Series 2026 Bond.

Notice of the call for redemption of Series 2026 Bonds held under a book-entry system will be sent by the Trustee only to DTC or its nominee as registered owner. Selection of book-entry interests in the Series 2026 Bonds called, and notice of call to the owners of those interests called, is the responsibility of DTC, Direct Participants and Indirect Participants. Any failure of DTC to advise any Direct Participant, or of any Direct Participant or any Indirect Participant to notify the book entry interest owners, of any such notice and its content or effect will not affect the validity of any proceedings for the redemption of the Series 2026 Bonds. See the information under the caption "BOOK-ENTRY ONLY SYSTEM."

Redemption Payments. No later than the date fixed for redemption, there must be on deposit with the Trustee sufficient funds to pay the principal amount of, plus the applicable premium, if any, and accrued interest to the redemption date on (together, the "Redemption Price"), the Series 2026 Bonds called for redemption; otherwise, the redemption shall be of no effect. After the redemption date, if proper notice of redemption by mailing has been given and sufficient funds have been timely deposited with the Trustee, interest will cease to accrue on the Series 2026 Bonds that have been so called.

BOOK-ENTRY ONLY SYSTEM

The Bank has determined that it will be beneficial to have the Series 2026 Bonds held by a central depository system and to have transfers of the Series 2026 Bonds effected by book-entry on the records of DTC as such central depository system. Unless and until the book-entry only system has been discontinued, the Series 2026 Bonds will be available only in book-entry form. DTC will initially act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Series 2026 Bond will be issued for each maturity of the Series 2026 Bonds and will be deposited with or as directed by DTC.

The information provided under this caption below has been provided by sources that the Bank, the City and the Underwriter believe to be reliable, but no representation is made by the Bank, the City or the Underwriter as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations.

DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026 Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct and Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts the Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the documents governing the Series 2026 Bonds. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee, as registrar for the Series 2026 Bonds, and request that copies of notices be provided directly to them.

Redemption notices are to be sent to DTC. If less than all of the Series 2026 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to

whose accounts the Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments, and redemption proceeds, if any, on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Bank or the Trustee, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or its nominee, nor the Trustee, the Bank or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest and redemption proceeds, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bank or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Bank or the Trustee, or the Bank may terminate its participation in the system of book-entry transfer through DTC (or a successor securities depository) at any time by giving notice to DTC or such successor. In either event, the Bank may retain another securities depository for the Series 2026 Bonds or may direct the Trustee to deliver bond certificates in accordance with instructions from DTC or its successor.

The Bank may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor depository). In that event, Series 2026 Bond certificates in definitive form will be printed and delivered to DTC.

So long as Cede & Co. is the registered holder of the Series 2026 Bonds as nominee of DTC, references herein to the holders, bondholders, owners or Registered Owners of the Series 2026 Bonds (other than under the caption "Tax Matters") mean Cede & Co. and not the Beneficial Owner of the Series 2026 Bonds.

THE BANK, THE TRUSTEE, THE CITY AND THE UNDERWRITER CANNOT AND DO NOT GIVE ANY ASSURANCE THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2026 BONDS (A) PAYMENTS OF PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2026 BONDS; (B) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2026 BONDS; OR (C) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER OF THE SERIES 2026 BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DIRECT PARTICIPANTS AND INDIRECT PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE BANK, THE CITY, THE TRUSTEE NOR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE SERIES 2026 BONDS; (B) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT

PARTICIPANT OR INDIRECT PARTICIPANT; (C) THE PAYMENT BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF AND INTEREST ON OR REDEMPTION PROCEEDS OF THE SERIES 2026 BONDS; (D) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED TO BE GIVEN TO HOLDERS OF THE SERIES 2026 BONDS; (E) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2026 BONDS; OR (F) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER OF THE SERIES 2026 BONDS.

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EXPECTED APPLICATION OF THE PROCEEDS OF THE SERIES 2026 BONDS

The proceeds from the sale of the Series 2026 Bonds, \$_____, are expected to be used as follows:

Sources of Funds:

Par Amount of Series 2026 Bonds	\$
Plus Net Original Issue Premium	\$

Total Sources:	<u>\$</u>
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Uses of Funds:

For deposit to the General Fund, Purchase Account for purchase of the City Bond	\$
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For payment of Underwriter's Discount and deposit to the General Fund, Bond Issuance Expense Account ⁽¹⁾	\$
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Total Uses:	<u>\$</u>
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⁽¹⁾ Includes estimated legal and accounting fees and expenses, estimated fees and expenses of the Bank, Bond Counsel, the Trustee, rating agencies' fees, printing costs and miscellaneous expenses.

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**ANNUAL DEBT SERVICE REQUIREMENTS
(Subject to Adjustment)**

The following table sets forth the amount required to be made available for the payment of principal of and interest on the Series 2026 Bonds during each fiscal year of the City.

<u>Period Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
9/30/2026	\$ -0-	\$ -0-	\$ -0-
9/30/2027			
9/30/2028			
9/30/2029			
9/30/2030			
9/30/2031			
9/30/2032			
9/30/2033			
9/30/2034			
9/30/2035			
9/30/2036			
9/30/2037			
9/30/2038			
9/30/2039			
9/30/2040			
9/30/2041			
9/30/2042			
9/30/2043			
9/30/2044			
9/30/2045			
9/30/2046			

THE MISSISSIPPI DEVELOPMENT BANK

General

The Bank was created in 1986 and is organized and existing under and by virtue of the Bank Act as a separate body corporate and politic for the public purposes set forth in the Bank Act. The Bank is not an agency of the State, is separate from the State in its corporate and sovereign capacity and has no taxing power.

The purpose of the Bank is to foster and promote, in accordance with the Bank Act, the provision of adequate markets and facilities for the borrowing of funds for public purposes and purposes of (a) any county, municipality, utility district, regional solid waste authority, county cooperative service district or political subdivision of the State, (b) the State, or any agency thereof, (c) the institutions of higher learning

of the State, (d) any education building corporation established for institutions of higher learning, or (e) any other governmental unit created under State law, including the City.

THE FULL FAITH AND CREDIT AND TAXING POWER OF THE STATE ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON ANY OF THE SERIES 2026 BONDS, AND THE SERIES 2026 BONDS ARE NOT A DEBT, LIABILITY, LOAN OF THE CREDIT, MORAL OBLIGATION OR PLEDGE OF THE FULL FAITH AND CREDIT AND TAXING POWER OF THE STATE.

Under the Bank Act, the Bank is granted the power to borrow money and issue its bonds in such principal amounts as it shall deem necessary to provide funds to accomplish a public purpose or purposes of the State provided for under the Act, including the purchasing of securities of local governmental units (as defined in the Bank Act), such as the City.

Organization and Membership of the Bank

The Bank is governed by a nine-member Board of Directors. The members of the Board of Directors are elected by the members of the Mississippi Business Finance Corporation ("MBFC") at the time and place fixed by MBFC's bylaws. Appointments are for terms of one year. The members of the Board of Directors are as follows:

Name	Occupation	Term
Michael Boerner	Architect	8/1/25-7/31/26
Carolyn Boteler	President, TempStaff	8/1/25-7/31/26
Noel Daniels	Owner, Noel Daniels Motor Co.	8/1/25/7/31/26
Merle Flowers	Real Estate, Flowers Properties, Inc.	8/1/25-7/31/26
William L. Freeman, Jr.	Bank Director	8/1/25-7/31/26
Bobby James	Retired	8/1/25-7/31/26
William D. Sones	Bank President & CEO	8/1/25-7/31/26
Mark Wiggins	Retired	8/1/25-7/31/26
Colby Rogers	Dir. Public Relations, Cirlot Agency	8/1/25-7/31/26

The operations of the Bank are administered by Larry W. Mobley, Executive Director. Mr. Mobley is a graduate of California State University, Chico, with a degree in Industrial Technology, and holds a Master of Science degree in Business and Economic Development from the University of Southern Mississippi.

Prior Bonds of Bank

The purpose of the Bank is to foster and promote, in accordance with the Bank Act, the provision of adequate markets and facilities for the borrowing of funds for public purposes by Local Governmental Units. As of _____, 2026, the Bank has previously issued bonds for its statutory purposes totaling in principal approximately \$ _____. Of such amount, approximately \$ _____ was outstanding as of _____, 2026.

The Bank is currently considering the issuance under the Bank Act of additional special obligation bonds for other purposes authorized under the Bank Act.

REVENUES, FUNDS AND ACCOUNTS UNDER THE INDENTURE

Creation of Funds and Accounts

The Indenture establishes the following special Funds and Accounts to be held by the Trustee:

- (a) General Fund – comprised of the following:
 - (i) General Account,
 - (ii) Purchase Account,
 - (iii) Redemption Account, and
 - (iv) Bond Issuance Expense Account;
- (b) Rebate Fund.

Revenues and Other Receipts

The Trustee is required to deposit Revenues (as defined in the Indenture), and other receipts (except the proceeds of the Series 2026 Bonds, interest earnings on any amounts in the Rebate Fund and monies received by the Bank from the prepayment prior to maturity of the City Bond) into the General Account of the General Fund and to deposit any monies received from the prepayment prior to maturity of the City Bond into the Redemption Account of the General Fund. A sufficient amount of the funds remitted by the City as City Bond Payments are required to be transferred by the Trustee to the Paying Agent for the Series 2026 Bonds at least three Business Days prior to each Interest Payment Date to provide funds for the debt service payments on the Series 2026 Bonds. The Trustee is required to deposit the proceeds of any Refunding Bonds as provided in the supplemental indenture authorizing the issuance of such Refunding Bonds.

OPERATION OF FUNDS AND ACCOUNTS UNDER THE INDENTURE

General Fund

General Account. Pursuant to the Indenture, the Trustee is required to disburse the amounts held in the General Account for the following purposes, and, in the event of insufficient funds to make all of such required disbursements, in the following order of priority:

- (a) On or before three Business Days next preceding each Interest Payment Date of any series of Bonds, the Trustee is required to transfer to the Paying Agent for such series the amount of principal and interest then due on the Outstanding Bonds of such series, including any delinquent payments that have not been previously satisfied (and the Paying Agent in turn is to pay when due to the Bondholders the principal and interest then due on the Outstanding Bonds of such series).
- (b) At such times as shall be necessary, to pay Program Expenses (as defined in the Indenture).
- (c) Upon the direction of the City, with notice to the Bank, the amounts, if any, directed to be transferred to the Rebate Fund.
- (d) After making such disbursements in subsections (a) through (c) above, any amounts available in excess of amounts needed to pay principal of and interest on each series of Bonds Outstanding within the next succeeding 12-month period after taking into account then available moneys in the General

Account plus those amounts that the Trustee reasonably expects to receive in the form of City Bond Payments during such 12-month period are required to be transferred to the City at its request with the prior written approval of the Bank.

Bond Issuance Expense Account. Upon receipt of invoices acceptable to the Trustee and authorization as provided in the Indenture, the Trustee is required to disburse the amounts held in the Bond Issuance Expense Account for the payment or reimbursement of the Costs of Issuance. On the date which is 60 days after the date of issuance of the Series 2026 Bonds, any amounts remaining in the Bond Issuance Expense Account are to be transferred to the General Account.

Purchase Account. Upon submission of a duly authorized written certificate of an authorized officer of the Bank stating that all requirements with respect to such financing set forth in the Indenture have been or will be met, the Trustee is required to apply the amounts held in the Purchase Account to the purchase of the City Bond.

The Trustee is required to transfer the purchase price of the City Bond to the 2026 Construction Fund established under the City Bond Resolution to be applied by the City to the costs of the Construction Project.

Redemption Account. The Trustee is required to deposit in the Redemption Account all moneys received upon the prepayment prior to maturity of the City Bond. Moneys in the Redemption Account shall be used to redeem Series 2026 Bonds. Such redemption shall be made in accordance with the Indenture. The Trustee is required to pay the Redemption Price of the Series 2026 Bonds called for redemption from the Redemption Account. Any surplus funds in the Redemption Account after the date of redemption of Bonds to be redeemed are required to be transferred to the City.

Rebate Fund

If the Series 2026 Bonds are subject to the provisions of Section 148(f) of the Code, upon the direction of the City, with notice to the Bank, the Trustee is required to transfer amounts for the benefit of the Bank from the General Account into the Rebate Fund. The Trustee is required to deposit into the Rebate Fund all income from investments in the Rebate Fund. In the event and to the extent that amounts in the Rebate Fund exceed the amounts required to be rebated to the United States of America, the Trustee, upon direction from the City, with notice to the Bank, will transfer such excess amounts to the General Account.

Not more than 60 days after _____, 2031, and at intervals of every five years thereafter, upon the written request of the City, with notice to the Bank, the Trustee is required to pay, from amounts in the Rebate Fund, to the United States of America 100 percent of the amount required to be paid to the United States of America as of such payment date. Not later than 60 days following the retirement of all of the Series 2026 Bonds, upon the written request of the City, with notice to the Bank, the Trustee is required to pay, from amounts in the Rebate Fund, to the United States of America 100 percent of the amount required to be paid to the United States of America. Each payment to the United States of America will be accompanied by a statement of the City or the Bank summarizing the determination of the amount of such payment, together with copies of any reports originally filed with the IRS with respect to the Series 2026 Bonds.

With respect to the Rebate Fund, the Bank may direct the Trustee to proceed other than as set forth in the Indenture and described above by delivering to the Trustee written instructions accompanied by an Opinion of Bond Counsel to the effect that compliance with such instructions will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2026 Bonds.

Amounts Remaining in Funds

Any amounts remaining in any Fund or Account after full payment of all of the Series 2026 Bonds outstanding under the Indenture, all required rebates to the United States of America, if any, and the fees, charges and expenses of the Trustee will be distributed to the City, except as provided in the Indenture with respect to moneys owing to the Bank and amounts required to be held by the Trustee for the payment of Bonds not presented for payment of principal when due.

Investment of Funds

Any moneys held as part of any Fund or Account including the Rebate Fund shall be invested or reinvested by the Trustee as continuously as reasonably possible in such Investment Securities as may be directed by the City. All such investments shall at all times be a part of the Fund or Account, or the Rebate Fund, in which the moneys used to acquire such investments had been deposited and, except as provided otherwise in the Indenture, all income and profits on such investments, other than from moneys on deposit in the Rebate Fund or any Account created thereunder, shall be deposited as received in the General Account of the General Fund. The Trustee may make any and all such investments through its investment department or through the investment department of any financial institution which is an affiliate of the Trustee and may trade with itself or any of its affiliates in doing so. Moneys in separate Funds and Accounts may not be commingled for the purpose of investment or deposit. The Trustee and the Bank have agreed in the Indenture that all such investments, and all instructions of the Bank or the City to the Trustee with respect thereto, shall be made in accordance with prudent investment standards reasonably expected to produce the greatest investment yields while seeking to preserve principal without causing any of the Series 2026 Bonds to be arbitrage bonds as defined in Section 148 of the Code. Any investment losses are to be charged to the Fund or Account in which moneys used to purchase such investment had been deposited. For so long as the Trustee is in compliance with the investment provisions of the Indenture, the Trustee shall not be liable for any investment losses. Moneys in any Fund or Account are required to be invested in Investment Securities with a maturity date, or a redemption date, which shall coincide as nearly as practicable with times at which moneys in such Funds or Accounts will be required for the purposes thereof. The Trustee is required to sell and reduce to cash a sufficient amount of such investments in the respective Fund or Account whenever the cash balance therein is insufficient to pay the amounts contemplated to be paid therefrom at the time those amounts are to be paid.

The Bank has certified in the Indenture to the owners of the Series 2026 Bonds from time to time outstanding that moneys on deposit in any Fund or Account in connection with the Series 2026 Bonds, whether or not such moneys were derived from the proceeds of the sale of the Series 2026 Bonds or from any other sources, are not intended to be used, and has covenanted that they will not be used, in a manner which will cause the interest on the Series 2026 Bonds to lose the exclusion from gross income for federal income tax purposes.

THE CITY BOND

General

The Bank will purchase the City Bond from the City with the proceeds of the Series 2026 Bonds pursuant to the terms and provisions of the City Bond Purchase Agreement and the City Bond Resolution. To secure the payment of the Series 2026 Bonds pursuant to the City Bond Resolution, the City will issue and deliver the City Bond, which City Bond and the City Bond Payments the Bank has assigned or will assign to the Trustee.

Purchase of the City Bond

The Bank has agreed, upon the terms and conditions of the City Bond Purchase Agreement, to purchase the City Bond at a price of \$_____ (representing the par value of the Series 2026 Bonds, plus original issue premium, less the Underwriter's discount, less amounts required to be deposited to the Bond Issuance Expense Account for Costs of Issuance). The City will direct the purchase price to be deposited with the Trustee in the 2026 Construction Fund established under the City Bond Resolution. The obligation of the Bank to purchase the City Bond shall be deemed fully discharged upon the deposit of such amount with the Trustee.

Payments Under the City Bond Resolution

Subject to the provisions for redemption set forth in the City Bond Resolution, the City has agreed to pay the City Bond, but only from the sources described herein, as follows:

No later than five Business Days prior to each Interest Payment Date, the City shall pay to the Paying Agent for the City Bond, which is also the Trustee under the Indenture, for deposit into the Series 2026 Bond Fund established under the City Bond Resolution, an amount sufficient to pay the aggregate principal amount of the City Bond maturing on the next Interest Payment Date and, as interest on its obligation to pay such amount, an amount equal to interest on the City Bond, such amounts to be due (A) semi-annually as to interest on _____ 1 and _____ 1 of each year, commencing _____ 1, 202__, in the amounts and in the manner provided in the Indenture for the payment of interest on the Series 2026 Bonds on such dates and (B) annually as to principal, on _____ 1 of each year, commencing _____ 1, 202__, to and including _____ 1, 2046, in an amount equal to the principal scheduled to become due on the Series 2026 Bonds on such Interest Payment Date, all in order that the Bank can pay the principal of, premium, if any, and interest on the Series 2026 Bonds, whether at maturity, upon redemption, upon purchase or otherwise.

The Municipal Clerk of the City is authorized and directed in the City Bond Resolution to withdraw from the Series 2026 Bond Fund and remit to the Trustee for deposit into the General Account of the General Fund under the Indenture, in time to reach the Trustee no later than five Business Days prior to the due date thereof, (i) all amounts due under the City Bond and required for the payment of the principal of and the interest due on the Outstanding Series 2026 Bonds on the next Interest Payment Date, (ii) the amounts required for the payment of the Redemption Price of Outstanding Series 2026 Bonds being redeemed, and (iii) any additional payments necessary and required as obligations of the City under the Indenture, and in each such case, such amounts shall be applied by the Trustee to such payments.

Assignment of Bank's Rights

As security for the payment of the Series 2026 Bonds, the Bank has agreed pursuant to the Indenture to pledge the City Bond and all the payments thereunder, including Additional Payments (as defined in the Indenture) due under the City Bond Resolution, all the earnings thereon and all proceeds thereof. The rights under the City Bond Resolution that are pledged and assigned by the Bank will include the right to receive payments by the City under the City Bond Resolution, and the Bank has directed the City to make said payments directly to the Trustee for and on behalf of the Bank. The City has assented to such assignment and will make payments under the City Bond Resolution directly to the Trustee without defense or set off by reason of any dispute between the City and the Trustee. Each payment on the City Bond received by the Trustee shall represent and be an equal and corresponding payment on behalf of the Bank on the corresponding Series 2026 Bonds as required or provided for under the Indenture.

City Bond Resolution for the Benefit of the Trustee and the Bondholders

The City Bond Resolution is a contract among the City and the registered owner of the City Bond and the registered owners of the Series 2026 Bonds and may only be amended as provided therein. See "APPENDIX D – FORM OF CITY BOND RESOLUTION."

Tax Covenants

(a) In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2026 Bonds, and for no other purpose, the City has covenanted in the City Bond Resolution to comply with each applicable requirement of the Code. In furtherance of the covenant contained in the preceding sentence, the City has agreed in the City Bond Resolution to comply with the Tax Certificate to be executed by the City on the date of the issuance and delivery of the Series 2026 Bonds, or such other covenants compliance with which may, from time to time, be required in order to maintain the exclusion of interest on the Series 2026 Bonds from gross income for federal income tax purposes.

(b) In the City Bond Resolution, the City has covenanted and agreed with the Trustee and the holders of the Series 2026 Bonds that the City shall not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Series 2026 Bonds, would cause the Series 2026 Bonds to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141(a) and 148(a), respectively, of the Code, or any successor provisions.

(c) The City has agreed in the City Bond Resolution to make any rebate payments required to be made to the United States Department of the Treasury in connection with the Series 2026 Bonds pursuant to Section 148(f) of the Code.

(d) The City has also agreed in the City Bond Resolution that, so long as is necessary in order to maintain the exclusion from gross income for federal income tax purposes under the Code of interest on the Series 2026 Bonds, the covenants described under this caption shall survive the payment of the City Bond and the Series 2026 Bonds and the interest thereon, including any defeasance thereof.

Redemption Prior to Maturity of the City Bond

The City Bond is subject to redemption prior to maturity, in whole or in part, on and after _____ 1, 20___, at the election of the City. If the City elects so to redeem the City Bond, in whole or in part, it is required to direct the Bank to redeem corresponding maturities of the Series 2026 Bonds as provided in the Indenture and the Bank has agreed in the Indenture to accept such direction. In that event, the City is required to pay to the Trustee for deposit in the Redemption Account under the Indenture, prior to the stated redemption date, the amount of the principal of, premium, if any, and interest to the redemption date on the corresponding Series 2026 Bonds to be redeemed, together with any other fees due to effectuate said redemption. The payment by the City to effectuate such redemption of the Series 2026 Bonds shall, to the extent paid, constitute an equal and corresponding payment and redemption of the City Bond or portion thereof.

Events of Default and Remedies

A default in the due and punctual payment of any interest or principal on the City Bond and a default by the City under the City Bond Resolution are among the Events of Default (as defined in the Indenture) entitling the Trustee to exercise certain remedies under the Indenture, including, but not limited to, the acceleration of all principal and interest due and owing on the Series 2026 Bonds outstanding. If the Trustee exercises such remedies under the Indenture, the principal and interest due and owing on the City

Bond may be accelerated in accordance with the Indenture and the City shall cause the City Bond to be redeemed and paid in full.

THE SERIES 2026 BONDS AS LEGAL INVESTMENTS

The Series 2026 Bonds shall be legal investments in which all public officers and public bodies of this State, its political subdivisions, all municipalities and municipal subdivisions, all insurance companies and associations, trust companies, savings banks and savings associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest funds, including capital, in their control or belonging to them. The Series 2026 Bonds may properly and legally be deposited with and received by all public officers and bodies of the State or any agency or political subdivisions of the State and all municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the State is now or may hereafter be authorized by law.

LITIGATION

There is not now pending or, to the Bank's knowledge, threatened, any litigation restraining or enjoining the issuance, sale, execution or delivery of the Series 2026 Bonds or prohibiting the Bank from purchasing the City Bond with the proceeds of such Series 2026 Bonds or in any way contesting or affecting the validity of the Series 2026 Bonds, any proceedings of the Bank taken with respect to the issuance or sale thereof or the pledge or application of any moneys or security provided for the payment of the Series 2026 Bonds. Neither the creation, organization or existence of the Bank nor the title of any of the current Directors or other officers of the Bank to their respective offices is being contested.

There is not now pending or, to the knowledge of the City, threatened any litigation restraining or enjoining the execution or delivery of the City Bond Resolution or prohibiting the City from issuing, selling and delivering the City Bond to the Bank or in any way contesting or affecting the validity of the City Bond Resolution or City Bond, any proceedings of the City taken with respect to the execution, delivery or issuance and sale thereof or the pledge or application of any moneys or security provided for the payment of the City Bond.

TAX MATTERS

General

In the opinion of Wise Carter Child & Caraway, a Professional Association, Bond Counsel, under existing statutes, regulations, rulings and decisions, as currently interpreted and construed, interest on the Series 2026 Bonds is excludable from gross income for federal tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2026 Bonds is taken into account in determining annual adjusted financial statement income for purposes of computing the alternative minimum tax imposed on "applicable corporations" (as defined in Section 59(k)(1) of the Code). Bond Counsel has expressed no opinion regarding other federal tax consequences with respect to the Series 2026 Bonds.

The Series 2026 Bonds are not being offered as qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Internal Revenue Code.

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and decisions, as currently interpreted and construed, interest on the Series 2026 Bonds is exempt from income taxation in the State of Mississippi.

The opinion of Bond Counsel relies on the accuracy of certain certifications and representations, and assumes on-going compliance with certain covenants, of the Bank and the City (collectively, "Tax Covenants") and is based on existing laws, regulations and judicial decisions. See "APPENDIX E – FORM OF BOND COUNSEL OPINION."

The Code imposes certain requirements which must be met subsequent to the issuance of the Series 2026 Bonds as a condition to the exclusion from gross income of interest on the Series 2026 Bonds for federal tax purposes. Non-compliance with such requirements may cause interest on the Series 2026 Bonds to be included in gross income for federal tax purposes retroactive to the date of issue irrespective of the date on which such noncompliance occurs. Should the Series 2026 Bonds bear interest that is not excludable from gross income for federal income tax purposes, the market value of the Series 2026 Bonds would be materially and adversely affected. The Tax Covenants include covenants that (i) the Bank and the City will not take or fail to take any action with respect to the Series 2026 Bonds if such action or omission would result in the loss of the exclusion from gross income for federal tax purposes of interest on the Series 2026 Bonds under Section 103 of the Code, and neither the Bank nor the City will act in any other manner which would adversely affect such exclusion; (ii) the Bank and the City will not make any investment or do any other act or thing during the period that the Series 2026 Bonds or the City Bond is outstanding that would cause the Series 2026 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code; and (iii) if required by the Code, the Bank and the City will rebate any necessary amounts to the United States of America. It is not an event of default under the Indenture if interest on the Series 2026 Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code that is not in effect on the date of issuance of the Series 2026 Bonds.

Tax Treatment of Original Issue Discount

Any Series 2026 Bonds with an initial offering price less than the stated principal amounts thereof are referred to herein as "Discount Bonds." Under the Code, the difference between the principal amount of the Discount Bonds and the initial offering price to the public, excluding bond houses and brokers, at which price a substantial amount of such Discount Bonds of the same maturity was sold, is "original issue discount." Original issue discount represents interest which is excluded from gross income for federal income tax purposes; however, such interest accrues actuarially over the term of a Discount Bond at a constant interest rate. A purchaser who acquires a Discount Bond in the initial offering at a price equal to the initial offering price thereof set forth on the inside cover page of this Official Statement will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period such purchaser holds such Discount Bond and will increase its adjusted basis in such Discount Bond by the amount of such accruing discount for the purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Prospective purchasers of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon the sale or other disposition of Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2026 Bonds maturing on ____ 1 in the years ____ through ____ (the "Premium Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income

tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond (or, in the case of a Premium Bond callable prior to maturity, the amortization period and yield must be determined on the basis of the earliest call date that results in the lowest yield on the Premium Bonds). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. Prospective purchasers of Premium Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the treatment of bond premium upon sale, redemption or other disposition of such Premium Bonds and with respect to the state and local tax consequences of owning and disposing of such Premium Bonds.

Collateral Tax Consequences

Although Bond Counsel has rendered an opinion that interest on the Series 2026 Bonds is excluded from federal gross income and exempt from State income tax, the accrual or receipt of interest on, and the disposition of, the Series 2026 Bonds may otherwise affect a bondholder's federal income tax or State income tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, certain financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Series 2026 Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Series 2026 Bonds should consult their own tax advisors with regard to the other tax consequences of owning and disposing of the Series 2026 Bonds.

Legislation which may affect the tax consequences of owning municipal bonds is constantly being considered by the United States Congress. There can be no assurance that legislation enacted after the date of issuance of the Series 2026 Bonds will not adversely affect the tax consequences of owning the Series 2026 Bonds, the exclusion of interest on the Series 2026 Bonds from gross income for federal income tax purposes or the market price of the Series 2026 Bonds.

LEGAL MATTERS

Certain legal matters incident to the authorization and issuance of the Series 2026 Bonds by the Bank are subject to the approval of Bond Counsel, whose approving opinion will be delivered with the Series 2026 Bonds. Certain legal matters will be passed upon for the Bank by Balch & Bingham, LLP, Jackson, Mississippi, and for the City by Peter Abide, City Attorney.

Wise Carter Child & Caraway, a Professional Association, Bond Counsel for the Bank, is also serving as Bond Counsel for the City in connection with the execution and delivery of the City Bond Resolution and City Bond.

The remedies available to the Trustee, to the Bank or to the owners of the Series 2026 Bonds upon an Event of Default under the Indenture or under the terms of the City Bond Resolution and City Bond are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the Bankruptcy Code, the remedies provided in the Indenture with respect to the Series 2026 Bonds and under the City Bond Resolution and the City Bond may not be readily available or may be limited. The various legal opinions

to be delivered concurrently with the delivery of the Series 2026 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally (regardless of whether such enforceability is considered in a proceeding in equity or in law), by general principles of equity (regardless of whether such proceeding is considered in a proceeding in equity or at law) and by the valid exercise of the constitutional powers of the State and the United States of America.

CONTINUING DISCLOSURE

The City will enter into a written undertaking for the benefit of Bondholders to deliver, or cause to be delivered, to the Municipal Securities Rulemaking Board (the "MSRB") through MSRB's Electronic Municipal Market Assess system at <http://emma.msrb.org> ("EMMA"), in the electronic format then prescribed by the Securities and Exchange Commission (the "Commission") pursuant to its Rule 15c2-12(b)(5) (the "Rule"), the information described in the undertaking, together with any identifying information or other information then required to accompany the applicable filing. This information will be made available free to securities brokers and others through EMMA. For the procedures for all filings and notices due to the MSRB, instructions will be provided on the following website for MSRB: <http://emma.msrb.org>.

The City is an "obligated person" with respect to the Series 2026 Bonds within the meaning of the Rule.

For a description of the City's undertaking, see "APPENDIX F - FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Past Compliance with Continuing Disclosure

The City has previously entered into continuing disclosure undertakings with respect to certain bonds it has issued or for which it is the "obligated person" within the meaning of the Rule. A failure by the City to comply with its continuing disclosure undertakings must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2026 Bonds in the secondary market. As a result, such a failure may adversely affect the marketability of the Series 2026 Bonds.

In the past five years, the City has filed its annual financial information in a timely manner as required by its existing continuing disclosure undertakings, except as stated below. Certain tables included in the final official statement with respect to the City's general obligation bonds issued in 2011 and 2012, without a determination of the materiality of those tables, were not included in every filing on EMMA, and certain EMMA postings may have been filed under the wrong EMMA heading. The City does not intend to file those tables retroactively on EMMA as the information included therein is otherwise available in the City's successive EMMA filings. Also, certain economic data included in certain of the City's filings with respect to its outstanding bonds, without a determination of the materiality of that data, was not current when filed because current data was not available or no longer reported at the time of filing. The City does not intend to retroactively update such data in existing filings as its annual financial information subsequently filed on EMMA includes a five-year look back. On two occasions, the City has filed a material event notice on EMMA several business days after the due date.

For each of the past five years, whenever audited financial statements for the City and Harrison County, Mississippi (the "County") for the immediately preceding fiscal year were not available by the stated filing date, the City filed unaudited financial statements by the filing date if required and filed the audits promptly after they became available, as provided in its continuing disclosure undertakings, except

as stated below. The City's audit for its fiscal year ending in 2019, although timely filed on EMMA with respect to most of the City's outstanding bonds, was filed late with respect to its bonds issued to the Bank, and a notice of failure to file was not timely filed. For the fiscal year ending 2022, the City filed the County's audit 48 days after its completion, instead of within 30 days as required by its continuing disclosure undertaking. The City filed a notice of late filing of the County audit on EMMA in a timely manner.

The City is now current on its continuing disclosure filings with respect to all of its outstanding obligations. The City's intention is to file the information required under its continuing disclosure undertakings in a complete and timely manner and in furtherance of that intention, the City adopted written policies and procedures on April 20, 2016 (the "Compliance Policy") to monitor and ensure timely filing of all information required to be filed pursuant to its continuing disclosure undertakings. Pursuant to the Compliance Policy, the City's Chief Administrative Officer is tasked, among other things, to monitor material events and, at least annually, to verify and certify that all required filings have been made. The City's legal counsel has subscribed to EMMA's financial disclosure email reminder system that provides reminders of the City's filing obligations 30 days in advance of the due dates.

PENSION PLANS [to be updated]

Current City employees are members of and contribute to the Mississippi Public Employees' Retirement System ("PERS"), a cost-sharing, multiple-employer, defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The PERS Board of Trustees' authority to determine employer contribution rates is established by Section 25-11-1 et seq. of the Mississippi Code of 1972, as amended, and may be amended only by the State Legislature.

State law currently provides for the PERS Board of Trustees to set employer contribution rates based on liabilities of the pension plan as determined by actuarial valuation. The percentage that an employer is required to contribute was increased from 15.75% to 17.40% effective July 1, 2019. The PERS Board of Trustees subsequently voted to increase the employer contribution requirement from 17.40% to 22.40% effective October 1, 2023; provided that on August 23, 2023, the PERS Board of Trustees voted to phase in the previously approved 22.40% rate by only 2.00% for each state fiscal year beginning July 1, 2024 until the rate reaches 22.40%. This means the current rate of 17.40% of payroll is scheduled to increase to 19.40% for the state fiscal year beginning July 1, 2024. The State Legislature, however, has sent a bill to the State's Governor (Senate Bill No. 3231) which, if signed, will rescind the scheduled 2.0% increase and replace it with an 0.5% increase to take effect on July 1 of each year from 2024 through 2028, and will vest sole authority to implement future increases to the employer contribution requirement in the Legislature.

For fiscal year ended June 30, 2025, the total net pension liability for PERS was \$_____ billion, as stated in the actuarial report of Cavanaugh MacDonald Consulting, LLC to the Board of Trustees of PERS dated _____, of which approximately \$_____ million would be attributable to the City. The actuary has recommended that the PERS Board of Trustees continue to increase the employer contribution rate by 2.00% per year until it reaches 27.40%.

Firemen and policemen hired by the City prior to March 1, 1976, and City employees employed prior to February 5, 1975, are covered by the Firemen's and Policemen's Disability and Relief Plan and the Employees' Disability and Relief Plan (together, the "City Plans"), respectively. The City Plans are defined benefit plans currently administered by the Mississippi Municipal Retirement System, a program of PERS, and are funded by a mandatory City tax levy sufficient to fund the annual required contribution. The City

Plans have no active members but continue to pay benefits to retirees and beneficiaries. Net pension liability for the City Plans as of June 30, 2025 was \$_____.

For more information on the City's pension plans and obligations, see "APPENDIX B" attached hereto.

INDEPENDENT AUDITORS

The audited financial statements of the City for the year ended September 30, 2024, included in this Official Statement as APPENDIX B, have been audited by Alexander, Van Loon, Sloan, Levens & Favre, PLLC, Certified Public Accountants, Gulfport, Mississippi ("AVL"), as stated in the report appearing therein (the "audit report"). The City has not requested and will not obtain a consent letter from its auditor for the inclusion of the audit report in this Official Statement. AVL, the City's independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. AVL also has not performed any procedures relating to this Official Statement.

MUNICIPAL ADVISOR

The Bank has retained Municipal Advisors of Mississippi, Inc., Gulfport, Mississippi, as independent Municipal Advisor in connection with the sale and issuance of the Series 2026 Bonds. In such capacity the Municipal Advisor has provided recommendations and other financial guidance to the Bank with respect to the preparation of documents, the preparation for the sale of the Series 2026 Bonds and of the time of the sale, tax-exempt bond market conditions and other factors related to the sale of said Series 2026 Bonds. Although the Municipal Advisor performed an active role in the drafting of this Official Statement, it has not independently verified any of the information set forth herein. The Municipal Advisor is a registered "municipal advisor" pursuant to Rule 15B of the Securities and Exchange Act of 1934, as amended.

BOND RATING

Standard & Poor's has assigned an "_____" rating to the Series 2026 Bonds based on information provided to Standard & Poor's by the City. Such ratings reflect only the view of the rating agency and an explanation of the significance of such ratings may be obtained only from the rating agency. The Bank, the City and the Underwriter make no representation as to the appropriateness of such ratings. There is no assurance that the ratings assigned to the Series 2026 Bonds at the time of issuance will continue for any given period of time or that it will not be changed, suspended or withdrawn at any time by Standard & Poor's if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect on the market price on the Series 2026 Bonds.

UNDERWRITING

The Series 2026 Bonds are being purchased for re-offering by Raymond James & Associates, Inc., Memphis, Tennessee (the "Underwriter") at a purchase price of \$_____, which purchase price is equal to the aggregate principal amount of the Series 2026 Bonds, less an underwriter's discount of \$_____, plus a net original issue premium of \$_____. The Bank Bond Purchase Agreement pursuant to which the Underwriter expects to purchase the Series 2026 Bonds provides that the Underwriter will purchase all of the Series 2026 Bonds if any are purchased. The obligation of the Underwriter to accept delivery of the Series 2026 Bonds is subject to the various conditions stated in such Bank Bond Purchase Agreement.

The Underwriter may offer and sell the Series 2026 Bonds to other dealers and purchasers at prices

lower than the public offering prices stated on the inside cover page hereof. The initial public offering prices may be changed from time to time by the Underwriter.

VALIDATION

Prior to their issuance and delivery, the Series 2026 Bonds will be validated before the Chancery Court of the First Judicial District of Hinds County, Mississippi, and the City Bond will be validated before the Chancery Court of the Second Judicial District of Harrison County, Mississippi, as provided by Sections 31-13-1 to 31-13-11, Mississippi Code of 1972, as amended.

MISCELLANEOUS

The Bank's offices are located at 735 Riverside Drive, Suite 300, Jackson, Mississippi 39202, Telephone (601) 355-6232.

All quotations from and summaries and explanations contained in this Official Statement of the Act, the Indenture, the City Bond Resolution and the other documents referred to herein do not purport to be complete and reference is made to each such document or instrument for full and complete statements of its provisions (See "APPENDIX C - FORM OF INDENTURE OF TRUST" and "APPENDIX D - FORM OF CITY BOND RESOLUTION."). The attached Appendices are an integral part of this Official Statement and must be read together with all of the foregoing statements. Copies in reasonable quantity of the Act, the Indenture, the City Bond Resolution and the supplemental materials furnished to the Bank by the City may be obtained upon request directed to the Bank.

Neither any advertisement of the Series 2026 Bonds nor this Official Statement is to be construed as constituting an agreement with the purchasers of the Series 2026 Bonds. So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact.

The execution and delivery of this Official Statement have been duly authorized by the Bank and duly approved by the City.

MISSISSIPPI DEVELOPMENT BANK

By:

Executive Director

This Official Statement is Approved:

CITY OF BILOXI, MISSISSIPPI

By: _____
Mayor

APPENDIX A
INFORMATION ON THE CITY

ECONOMIC AND DEMOGRAPHIC INFORMATION

General Description of the City

The City, which is the county seat of the Second Judicial District of Harrison County, Mississippi (the "County"), is comprised of a 42.48 square mile area (net of submerged lands) of which 12.2 is the peninsula on the Gulf of Mexico. The City is 153 miles southeast of Jackson, Mississippi, the capital of the State of Mississippi (the "State"), 78 miles east of New Orleans, Louisiana, and 55 miles west of Mobile, Alabama. The fifth largest city in the State by population, it is in the center of Mississippi's Gulf Coast.

First settled in 1699, the City was the first capital of the Louisiana Territory, predating both Mobile and New Orleans. Eight flags have flown over Biloxi, including those of France, England and Spain. The City's rich history and cultural heritage are reflected in its landmarks and its celebrations, including Mardi Gras, which dates back to the turn of the last century, and the Blessing of the Shrimp Fleet, which dates back to the Old World and honors the local seafood industry.

Biloxi's economy has long relied on its tourism industry. The City is home to the most popular portions of the Mississippi Gulf Coast's 26-mile sugar-white beach, billed as the nation's longest man-made beach, and boasts approximately 150 miles of total shoreline along the Mississippi Sound, bays and rivers within the City. Other attractions include seafood restaurants, championship golf courses, historic sites, tropical climate, casinos, deep sea and near-shore fishing opportunities, excursion tours to the Gulf Islands National Seashore, and a minor league baseball team.

Biloxi is home to a casino industry that offers 24-hour, unlimited casino gaming, sports betting, Las Vegas-style entertainment, adjoining hotels, restaurants, golf courses and other amenities. These casinos, coupled with the City's long-standing amenities, attract millions of tourists a year. The Mississippi Gulf Coast (Harrison, Hancock and Jackson counties) has a current hotel room inventory of over 16,000 rooms coastwide.

The Mississippi Coast Coliseum (the "Coliseum"), including the Convention Center (the "Convention Center"), is the Southeast's largest beachfront complex located on the Gulf of Mexico near many major hotels and tourist attractions. This facility with parking capacity for up to 3,000 cars accommodates sporting events, entertainment, conventions and other associated attractions. The Convention Center is a fully flexible facility offering 400,000 square feet of exhibit and meeting space. The Coliseum, directly adjacent to the Convention Center, has 24,780 square feet and can accommodate up to 15,000 persons, depending upon the type of seating arrangement.

Keesler Air Force Base, located entirely within the City limits, is the home of the 81st Training Wing, part of the Air Education and Training Command, a major U.S. Air Force computer and electronics training command installation. Keesler also hosts the Hurricane Hunters as well as the Keesler Medical Center, one of the Air Force's largest in the United States. Over 15,000 military personnel, civilian personnel and contractors are connected to Keesler Air Force Base.

Gaming

During its regular 1990 session, the Mississippi Legislature passed a law effective April 1, 1990, authorizing dockside gaming on vessels on the Mississippi River and on navigable waters in any of the counties bordering the Mississippi River, and on cruise vessels in the waters within Mississippi that lie south of the three Mississippi Gulf Coast counties - Harrison, Hancock and Jackson. Gaming is not automatically legal in these counties but is subject to referendum.

Jackson County has voted "no" on the issue, but in 1992 both Hancock and Harrison County voters said "yes" to dockside gaming. The first casino opened in Biloxi in the late summer of 1992. By August, 2005 ("pre-Katrina"), nine State-regulated casinos operated in Biloxi, employing more than 15,000 people.

As a result of the damage caused by Hurricane Katrina, the Mississippi Legislature passed legislation during an extraordinary special session in October 2005 that amended State law to allow gaming in on-shore structures. As a result, licensed gaming activities in the City may now be conducted in such structures, no part of which is located more than 800 feet from the mean high-water line of the shore. In 2018, Mississippi legalized sports betting in its casinos.

The City believes that gaming will continue to have a significant impact on the local economy and that taxes on gaming revenue will continue to have a positive impact on the City's financial condition. Gaming tax revenues (including gaming license fees) received by the City are as follows:

FYE Ending	Annual Gaming Revenues
2025	\$24,539,206
2024	24,179,715
2023	24,261,019
2022	23,821,358
2021	22,689,272
2020	16,595,123
2019	20,481,131
2018	19,182,154
2017	18,612,052
2016	18,777,762

Currently, seven casinos are open and operational in the City.

SOURCE: City's Audited Financial Statement FYE 2016-2024; City of Biloxi's Controller's office March 2026.

Transportation

Access to the City is available by several means. Interstate Highways 10 and 110, U.S. Highway 90 and State Highways 15 and 67 serve the immediate area. Several County and local roads provide excellent circulation to other parts of the Coast and to rural areas. The Coast Transit Authority provides local bus service.

The Gulfport-Biloxi International Airport, served by five commercial airlines, is the nearest commercial airport, offering nonstop service to Atlanta, Charlotte, Dallas/Ft. Worth, and Houston. Seasonal nonstop flights to Minneapolis-St. Paul and Orlando, and nonstop flights to Las Vegas and Tampa are also offered. CSX System provides freight rail service. Greyhound Trailways Bus Lines provides interstate bus service from the Biloxi Transit Center, centrally located in downtown Biloxi.

In August, 2025, Amtrak recommenced passenger rail service twice daily in each direction between New Orleans and Mobile, with stops in Biloxi, Pascagoula, Gulfport and Bay St. Louis.

The Port of Biloxi has a channel depth of 12 feet. It serves recreational, commercial, charter, and sail boats. The Port of Gulfport, 12 miles to the west, is a deep water terminal and now the third largest container port on the Gulf of Mexico, among the top 20 U.S. container ports and the second largest importer of green fruit in the nation.

Population

The population of the City and County has been recorded or estimated as follows:

	1980	1990	2000	2010	2020	2024*
Biloxi	49,311	46,319	50,644	44,054	49,449	48,144
Harrison County	157,665	165,365	189,601	187,105	208,621	213,730

SOURCE: Census Data at website: www.census.gov.
*2024 is the most recent estimate available.

Government

The City operates under the Mayor/Council form of government. The governing body of the City consists of the Mayor, who is elected at large, and seven council members, each of whom is elected from a separate ward. Both the Mayor and members of the City Council are elected for concurrent four-year terms, which terms will expire on June 30, 2029. The current Mayor and members of the City Council are as follows:

Name	Position	Position Held Since
A.M. Gilich, Jr.	Mayor	2015
Wayne Gray	Councilman, Ward 1	2025
Anthony Marshall	Councilman, Ward 2	2025
Mike Nail	Councilman, Ward 3	2025
Jamie Creel	Councilman, Ward 4	2025

Paul Tisdale	Councilman, Ward 5	2013
Kenny Glavan	Councilman, Ward 6	2013
David Shoemaker	Councilman, Ward 7	2024

Pursuant to statute, the City has appointed a Chief Administrative Officer ("CAO") who is responsible to the Mayor and City Council for the day to day administration of the City. The current CAO is Rick Weaver.

Per Capita Income

Year	County	Mississippi	United States	County as % Of U.S.
2024	\$50,986	\$52,074	\$73,204	70%
2023	48,945	49,661	70,002	70
2022	45,764	46,984	66,298	69
2021	46,616	47,041	64,692	72
2020	41,712	42,462	59,151	71

SOURCE: Bureau of Economic Analysis: Regional Economic Accounts at website: www.bea.gov. March 2026. 2025 figures are not yet available.

City Gross Sales

State Fiscal Year Ended June 30	Amount
2025	\$1,215,694,471
2024	1,181,324,041
2023	1,170,818,835
2022	1,138,946,067
2021	1,001,145,854

SOURCE: Annual Reports for fiscal years 2021-2025; Mississippi Department of Revenue's website: www.dor.ms.gov. March 2026.

Unemployment Statistics of the County

	2025*	2024	2023	2022	2021
January	3.4%	2.9%	3.3%	4.5%	6.5%

February	3.9	2.6	3.0	4.0	6.4
March	3.7	2.3	2.8	3.3	6.0
April	3.3	1.8	2.3	3.2	5.5
May	3.5	2.6	2.8	3.5	5.6
June	4.1	3.6	3.7	4.4	6.5
July	4.0	3.3	3.4	4.1	5.8
August	3.9	3.2	3.3	3.7	5.2
September	3.4	3.0	2.7	3.5	4.4
October		3.0	2.5	3.2	4.0
November	3.7	3.1	2.3	3.2	3.5
December	3.0	3.3	2.3	2.9	3.3
Annual Average	3.6	2.9	2.9	3.6	5.2

SOURCE: Mississippi Department of Employment Security: Labor Market Data at website: www.mdes.ms.gov. *October 2025 figures are not available. March 2026

Employment Statistics of the County

	2025*	2024	2023	2022	2021
RESIDENCE BASED EMPLOYMENT					
I. Civilian Labor Force	92,890	91,840	86,930	87,340	87,760
II. Unemployed	3,370	2,660	2,560	3,310	4,710
Rate	3.6	2.9	2.9	3.8	5.4
III. Employed	89,520	89,180	84,370	84,030	83,050
ESTABLISHMENT BASED EMPLOYMENT					
I. Manufacturing					
II. Non-manufacturing					
A. Agriculture, Forestry, Fishing & Hunting					
B. Mining					
C. Utilities					
D. Construction					
E. Wholesale Trade					
F. Retail Trade					
G. Transportation & Warehousing					
H. Information					
I. Finance & Insurance					
J. Real Estate, Rental & Leasing					
K. Professional and Business Services					
L. Management of Companies & Entertainment					
M. Administrative Support & Waste Management					
N. Educational Services					
O. Health Care & Social Assistance					
P. Arts, Entertainment & Recreation					
Q. Leisure and Hospitality					
R. Other Services (except Public Administration)					
S. Government					
T. Education					
TOTAL NONAGRICULTURAL EMPLOYMENT					

SOURCE: Mississippi Department of Employment Security: Annual Labor Force Reports at website: www.mdes.ms.gov. March 2026. Establishment based employment figures for 2021 through 2025 are not available.

* 2025 figures do not include the month of October.

Major Employers

The following is a listing of the City's major employers, their products or services and their estimated number of employees, based on the most current reported information:

Employer	Employees	Product/Service
Keesler Air Force Base	11276	Military Facility
Beau Rivage Resort & Casino	2930	Gaming/Entertainment
VA Gulf Coast Veterans Health Care System	1,919	Veterans' Health Care
IP Casino Resort Spa	1,556	Gaming/Entertainment
Golden Nugget Casino & Hotel	1,067	Gaming/Entertainment
Biloxi Public School District	858	Education
Hard Rock Hotel & Casino	803	Gaming/Entertainment
Harrah's Gulf Coast	703	Gaming/Entertainment
Palace Casino Resort	617	Gaming/Entertainment
Merit Health - Biloxi	550	Healthcare

SOURCE: Harrison County Development Commission, March 2026.

School District

The Biloxi Public School District (the "District") serves a mobile and ethnically diverse student population. A low pupil-teacher ratio coupled with excellent community support and quality instruction accounts for the District's maintaining an "A" grade on the State's Mississippi Succeeds Report Card for the 2024-25 school year.

SOURCE: Biloxi Public School District; Mississippi Department of Education website: msrc.medk12.org; March 2026.

Enrollment

Total enrollment for the District for the 2025-2026 school year and the four (4) preceding years are as follows:

Scholastic Year	Enrollment
2025-26	5,696
2024-25	5,712
2023-24	5,764
2022-23	5,812
2021-22	5,978

SOURCE: Mississippi Department of Education website: www.mdek12.org 2021-2026. March 2026.

Building and Site Information

The City issued 4,334 building permits in calendar year 2025, with a total valuation of \$148,050,600. The 4,334 building permits issued in 2025 represented an increase of 49 over those issued in 2024. The 2025 total construction valuation increased from \$92,642,100 to \$148,050,600.

SOURCE: City Building Division, March, 2026.

Assessed Valuation of the City

Assessment Year	Real Property	Personal Property	Public Utilities	Automobiles & Mobile Homes	Total
2025	\$584,768,565	\$86,206,099	\$49,558,297	\$70,991,344	\$791,524,305
2024	555,859,613	83,750,321	\$44,126,993	\$71,034,226	754,771,153
2023	541,191,445	81,824,714	44,100,095	69,359,657	736,475,911
2022	534,210,537	75,302,608	44,891,793	69,636,043	724,040,981
2021	518,661,665	69,400,362	43,739,020	70,282,132	702,083,179

SOURCE: City's Audited Financial Statements FYE 2020-24. City of Biloxi Controller, March 2026.

Assessed valuations are based upon the following assessment ratios:

- (a) Real and personal property (excluding single-family owner-occupied residential real property and motor vehicles, respectively) - 15 percent true value;
- (b) Single-family owner-occupied residential real property - 10 percent true value;
- (c) Motor vehicles and public utility property - 30 percent of true value.

Procedure For Property Assessments

The Tax Assessor of the County assesses all real and personal property subject to taxation in the County, including property in the City, except motor vehicles and property owned by public service corporations, both of which are required by law to be assessed by the State Department of Revenue.

Section 21-33-9, Mississippi Code of 1972, as amended, provides that the governing authorities of a municipality which is located within a county having completed a county-wide reappraisal approved by the State Department of Revenue and which has been furnished a true copy of that part of the County assessment roll containing the property located within a municipality as provided in Section 27-35-167, Mississippi Code of 1972, as amended, shall adopt such assessment rolls for its assessment purposes. The City is utilizing the assessment

rolls of the County.

The City may not correct or revise such assessment rolls except for the purpose of conforming the municipal assessment roll to corrections or revisions made to the County assessment roll. All objections to the municipal assessment roll may be heard by the Board of Supervisors of the County at the time and in the manner that objections to the County assessment roll are heard. The Board of Supervisors shall notify, in writing, the Governing Body and the Tax Assessor of any corrections or revisions made by it to the part of the County assessment roll adopted as the municipal assessment roll.

Tax Levy Per \$1,000 Valuation⁽¹⁾

	2025	2024	2023	2022	2021
<i>General Purposes:</i>					
General Fund	20.00	20.42	20.33	19.67	19.05
City Debt Service	8.41	7.90	7.67	8.70	9.01
Solid waste Collection/Disposal	0.13	0.13	0.37	0.02	.02
Pension Funds	1.56	1.65	1.73	1.71	2.02
Sub-Total	30.10	30.10	30.10	30.10	30.10
<i>School Purposes:</i>					
Maintenance/MAEP	42.66	42.23	42.21	42.19	41.28
School District Debt Service	2.59	2.02	1.04	1.06	2.09
Sub-Total	45.25	44.25	43.25	43.25	43.37
TOTAL	75.35	74.35	73.35	73.35	73.47

SOURCE: Biloxi Public School District; City of Biloxi, Controller's office; March 2026.

⁽¹⁾ Tax Levy figures are given in mills.

Ad Valorem Tax Collections

Year Ending September 30	Taxes Due ⁽¹⁾	Taxes Collected	Difference (Over/Under)	Percentage Collected
2025	\$49,073,259	\$49,920,755	\$847,496	101.73%
2024	47,284,834	47,902,582	617,748	101.31
2023	46,528,478	47,174,732	646,254	101.39
2022	46,100,018	46,193,248	\$93,230	100.20
2021	43,033,569	43,553,720	520,151	101.21

SOURCE: City of Biloxi; Controller's Office; March, 2026. ⁽¹⁾Includes school district taxes.

Procedure for Tax Collections

The City Council of the City is required to levy a special tax upon all of the taxable property within the geographical limits of the City each year sufficient to provide for the payment of the principal of and interest on the City's general obligation bonds. If any taxpayer neglects or refuses to pay its taxes on the due date thereof, the unpaid taxes bear interest at the rate of

1 percent per month or fractional part thereof from the delinquent date to the date of payment of such taxes. When enforcement officers take action to collect delinquent taxes, other fees, penalties and costs may accrue. Both real property and personal property are subject to public tax sale.

Section 21-33-63, Mississippi Code of 1972, as may be amended from time to time, and related statutes provide that after the fifteenth day of February and after the fifteenth day of August in each year, the tax collector for each municipality shall advertise all lands in such municipality on which all the taxes due and in arrears have not been paid, as well as all land liable for sale on the first Monday of April or the third Monday of September following, as the case may be.

Reappraisal of Property and Limitation on Ad Valorem Levies

Senate Bill No. 2672, General Laws of Mississippi, Regular Session 1980, codified in part as Sections 27-35-49 and 27-35-50, Mississippi Code of 1972 (as amended, the "Reappraisal Act"), provides that all real and personal property in the State shall be appraised at true value and assessed in proportion to true value. To insure that property taxes do not increase dramatically as the counties complete reappraisals, the Reappraisal Act provides for the limit on increase in tax revenues discussed below.

The Reappraisal Act limits ad valorem tax levies by cities to a rate which will result in an increase in total receipts of not greater than ten percent (10%) over the receipts from any of the preceding three years, excluding revenue from ad valorem taxes on any newly constructed properties, any existing properties added to the tax rolls or any properties previously exempt which were not assessed in the next preceding year. This limitation does not apply to levies for the payment of the principal of and the interest on general obligation bonds issued by the City or to certain other specified levies. With limited exceptions, the limitation may be increased only if the proposed increase is approved by a majority of those voting in an election held on such question.

The County's most recent reappraisal was in 2024.

Homestead Exemption

The Mississippi Homestead Exemption Law of 1946 reduces the local tax burden on homes qualifying by law and substitutes revenues from other sources of taxation on the State level as a reimbursement to the local taxing units for such tax loss. Provisions of the homestead exemption law determine qualification, define ownership and limit the amount of property that may come within the exemption. The exemption is not applicable to taxes levied for the payment of general obligation bonds of the City, except as hereinafter noted.

Those homeowners who qualify for the homestead exemption and who have reached the age of sixty-five (65) years on or before January 1 of the year for which the exemption is claimed, service-connected, totally disabled American veterans who were honorably discharged from military service and those qualified as disabled under the federal Social Security Act are exempt from any and all ad valorem taxes on qualifying homesteads not in excess of \$7,500 of assessed value thereof.

The tax loss resulting to local taxing units from properly qualified homestead exemptions is reimbursed by the State Department of Revenue. No taxing unit may be reimbursed an amount in excess of one hundred six percent (106%) of the total net reimbursement made to such taxing unit in the next preceding year.

HOMESTEAD EXEMPTION MUNICIPAL TAX LOSS	
(Calendar Year)	
2024	\$1,092,711
2023	1,030,098
2022	973,899
2021	944,264
2020	809,222

SOURCE: MS Department of Revenue's Annual Reports for the fiscal years 2020-2025; MS Department of Revenue's website: www.dor.ms.gov. 2025 figures are not available. March 2026.

Sales Tax Rebates from the State

The State of Mississippi rebates 18.5% of the total State sales tax of 7% for all sales originating within the City. Annual sales tax rebates from the State to the City are as follows:

STATE FYE JUNE 30	SALES TAX REBATES FROM THE STATE
2025	\$15,279,910
2024	14,857,230
2023	14,806,459
2022	14,560,625
2021	12,117,247
2020	11,851,679
2019	12,849,087
2018	12,224,117
2017	12,522,283
2016	11,727,874

SOURCE: Mississippi Department of Revenue's Annual Reports for the fiscal years 2016 through 2025.

Mississippi Department of Revenue's website: www.dor.ms.gov.

Ten Largest Property Taxpayers

The top ten (10) taxpayers in the City for assessment year 2025, based on their combined real

and personal property assessed valuation, are as follows:

Taxpayer	Assessed Valuation	Percentage of Total Assessed Valuation
Beau Rivage	\$74,501,735	9.41%
Mississippi Power	38,341,392	4.80
Boyd/IP Casino	23,518,892	2.90
Premier/Hard Rock	25,218,759	3.10
Riverboat/Golden Nugget	23,071,159	2.90
Grand Casino/Harrah's	14,211,989	1.79
Campus Inc./Palace Casino	9,713,759	1.22
Biloxi Lodging LLC	9,595,308	1.20
ALOTR, LLC	7,329,407	.93
American National Insurance Co.	6,980,995	.87
Total Assessed Valuation of City	\$791,524,305	29.12%

SOURCE: Harrison County Tax Collector's Office. March 2026.

DEBT INFORMATION

Legal Debt Limit Statement

	15% Limit	20% Limit
Authorized Debt Limit (2025 Assessment for Taxation) (\$791,524,305)	\$118,728,646	\$158,304,861
Debt Subject to Debt Limits (as of 09/30/25)	\$50,094,000	\$ 56,027,751
Margin for Further Debt Under Debt Limits	\$68,634,646	\$102,277,110

Statutory Debt Limits

The City is subject to a general statutory debt limitation under which no municipality in the State may incur general obligation bonded indebtedness in an amount which, when added to its then outstanding bonded indebtedness, will exceed 15 percent of the assessed value of the taxable property within such municipality according to the last completed assessment for taxation.

In computing outstanding bonded indebtedness for purposes of such 15 percent limitation, there may be deducted all bonds or other evidence of indebtedness issued for school, water and sewerage systems, gas and light and power purposes and for the construction of special improvements primarily chargeable to the property benefitted, or for the purpose of paying a municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefitted. However, in no case may a municipality contract any indebtedness which, when added to all of its outstanding general obligation indebtedness, both bonded and floating, exceeds 20 percent of the assessed value of the taxable property within such

municipality.

The debt limitations set forth above do not apply to obligations specifically excluded by statute, including contract obligations subject to annual appropriations, bonds issued for school purposes, obligations payable exclusively from the revenues of any municipally-owned utility, general obligation industrial bonds issued under the provisions of Miss. Code Sections 57-1-1 to 57-1-51, "TIF" bonds issued under the provisions of Miss. Code Sections 21-45-1 to 21-45-21, and special assessment improvement bonds issued under the provisions of Miss. Code Sections 21-41-1 to 21-41-53. Also excluded from both limitations are grant anticipation notes issued pursuant to Miss. Code Section 21-33-326, Port Bonds issued pursuant to Miss. Code Section 59-7-1 *et seq.*, and indebtedness incurred or issued under the Mississippi Water Pollution Control Revolving Fund and Emergency Loan Fund Act, Miss. Code Section 49-17-81 *et seq.*

Outstanding General Obligation Bonded Debt

(as of September 30, 2025)

Issue	Date of Issue	Original Issue	Outstanding Principal
General Obligation Bonds, Series 2012	04/01/12	\$ 6,000,000	\$ 990,000
General Obligation Bonds, Series 2017	03/15/17	7,000,000	3,720,000
General Obligation Bond, Series 2019	02/08/19	14,000,000	10,820,000
General Obligation Refunding Bonds, Series 2020	06/08/20	8,662,000	4,412,000
General Obligation Refunding Bonds, Series 2020A	06/08/20	16,206,000	12,879,000
General Obligation Bond, Series 2022	05/25/22	14,000,000	12,413,000
General Obligation Bond, Series 2024	06/13/24	5,000,000	4,860,000
TOTAL		\$70,868,000	\$50,094,000

General Obligation Bonded Debt

Issue	FYE 2025	FYE 2024	FYE 2023	FYE 2022	FYE 2021
G. O. Refunding Bonds, Sr. 2011	-----	-----	----	\$400,000	\$800,000
G. O. Bonds, Sr. 2012	990,000	1,460,000	1,915,000	2,355,000	2,780,000
G. O. Bonds, Sr. 2014B*	-----	-----	----	975,000	1,920,000
G.O. Bonds, Sr. 2017	3,720,000	4,180,000	4,625,000	5,055,000	5,470,000
G.O. Bonds 2019	10,820,000	11,395,000	11,950,000	12,485,000	13,005,000
General Obligation Refunding Bonds, Series 2020	4,412,000	5,480,000	6,529,000	7,562,000	8,573,000
General Obligation Refunding Bonds, Series 2020A	12,879,000	14,168,000	15,441,000	15,701,000	15,956,000
General Obligation Bonds, Series 2022	12,413,000	12,980,000	13,532,000	14,000,000	
General Obligation Bonds, Series 2024	4,860,000	5,000,000			
Total:	\$50,094,000	\$54,663,000	\$53,992,000	\$58,533,000	\$48,504,000

*Certain maturities of the City's Series 2014B Bonds were advance refunded in FYE 2020 and were thereafter no longer considered outstanding for debt limit purposes.

Debt Ratios

FY Ended September 30	General Obligation Debt	General Obligation Debt to Assessed Value
2025	\$50,094,000	6.33%
2024	54,663,000	7.24
2023	53,992,000	7.33
2022	58,533,000	8.08
2021	48,504,000	6.91

Other Outstanding Long-Term Debt

(as of September 30, 2025)

ISSUE	Date of Issue	Outstanding Principal
Water and Sewer Pollution Control Loans	2013-2018	\$ 5,933,788
\$1,995,000 Tax Increment Junior Lien Bonds, Series 2014 (Margaritaville Project)	06/25/2014	1,550,640
\$21,020,000 Tax Increment Limited Obligation Refunding Bond, Series 2016	08/10/2016	6,890,000
\$6,100,000 Limited Tax Port Bonds, Series 2017-A	08/01/2017	4,145,000
\$1,400,000 Limited Tax Port Bonds, Series 2017-B	08/01/2017	985,000
\$1,896,000 Tax Increment Financing Limited Obligation Refunding Bonds (The Wal-Mart Neighborhood Market Project) Series 2021	09/15/2021	870,000
Total:		\$20,374,428

SOURCE: City of Biloxi Controller; March 2026.

Other Outstanding Debt

The City has various other obligations that are subject to neither the 15 percent nor the 20 percent debt limitation, and which are described in more detail in the notes to the City's Financial Report FY24.

Annual Debt Service Requirements

Year Ended September 30,	Governmental Activities				Business Type Activities	
	General Obligation		Limited Obligation		Port Bonds/Water & Sewer Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	4,709,000	1,442,720	2,579,000	323,828	913,436	269,321
2027	4,841,000	1,321,140	2,693,000	202,656	933,499	248,108
2028	4,419,000	1,197,841	2,811,000	75,801	958,742	226,415
2029-2033	18,617,000	4,336,648	1,227,640	6,276	4,971,383	785,236
2034-2038	11,048,000	2,074,642	-	-	3,286,728	212,443
2039-2043	6,085,000	547,411	-	-	-	-
Thereafter	375,000	15,000	-	-	-	-
Totals	50,094,000	10,935,401	9,310,640	608,561	11,063,788	1,741,523

SOURCE: City of Biloxi; Controller's Office; March 2026.

Overlapping/Underlying General Obligation Indebtedness
(as of September 30, 2024)

	2023 Estimated Population	2024 Assessed Valuation	Total General Obligation Bonded Debt	General Obligation Bonded Debt Per Capita
Harrison County	210,612	\$2,510,217,475*	\$141,262,000	\$670.72

SOURCE: Harrison County, MS, Office of Comptroller, March, 2026. *Does not include tax exempt districts.

School District	Assessed Valuation FYE 2025	Total General Obligation Bonded Debt – FYE 2025
Biloxi Public School District	\$670,395,222	\$10,076,000

SOURCE: Biloxi Public School District, March 2026.

APPENDIX B

FINANCIAL INFORMATION FOR THE CITY

APPENDIX C

FORM OF INDENTURE OF TRUST

APPENDIX D

FORM OF CITY BOND RESOLUTION
(exhibits omitted)

APPENDIX E

FORM OF BOND COUNSEL OPINION

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (this “**Disclosure Certificate**”) is executed and delivered by the City of Biloxi, Mississippi (the “**City**”) in connection with the issuance of \$____,000,000.00 Mississippi Development Bank Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project), dated the date of delivery thereof (the “**Bonds**”). The Bonds are being issued pursuant to an Indenture of Trust (the “**Indenture**”), dated as of _____, 2026, between the Mississippi Development Bank (the “**Bank**”) and The Peoples Bank, Biloxi, Mississippi, as trustee (the “**Trustee**”). The proceeds of the Bonds will be used by the Bank to purchase the City’s \$____,000,000.00 General Obligation Bond, Series 2026 (the “**City Bond**”). The proceeds of the City Bond will be used by the City to finance the costs of various capital improvements in the City.

The City covenants and agrees, for the benefit of the holders of the Bonds, as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist Raymond James & Associates, Inc., Memphis, Tennessee (the “**Underwriter**”), in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “**SEC**”).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings when used in this Disclosure Certificate:

“**Annual Report**” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“**Dissemination Agent**” means, initially, the City, or any successor Dissemination Agent designated in writing by the City.

“**EMMA**” means MSRB’s Electronic Municipal Market Access system on the MSRB website, <http://emma.msrb.org>, or any successor repository or repositories prescribed by the SEC for the purpose of serving as a repository under the Rule.

“**Fiscal Year**” means the period beginning on October 1 and ending on September 30, or such other 12-month period as may be adopted by the City in accordance with law.

“**Listed Events**” means any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board established under the Securities Act of 1933, as amended, or any successor thereto.

“Official Statement” means the Official Statement dated _____, 2026, pertaining to the Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

a. The City shall, or shall cause the Dissemination Agent to, not later than twelve (12) months following the end of each Fiscal Year commencing with the City’s Fiscal Year ending September 30, 2026, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said due date, the City shall provide the Annual Report to the Dissemination Agent, if the City has selected one. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report.

b. If the City is unable to file on EMMA an Annual Report or any component thereof by the date required in Section 3.a above, the City shall file or cause to be filed on EMMA by such date a notice of failure to file required annual financial information.

SECTION 4. Content of Annual Reports. The City’s Annual Report shall contain or incorporate by reference the following:

a. A copy of its audited annual financial statements, if any, audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3.a above, the City shall provide unaudited financial information by the time specified in Section 3.a above, and audited financial statements within 30 days from the receipt thereof from the Office of the State Auditor and when such statements are made publicly available.

b. An update of the financial information of the type included in the tables included under the headings “Assessed Valuation of the City,” “Tax Levy Per \$1,000 Valuation,” “Ad Valorem Tax Collections,” “Sales Tax Rebates from the State,” “Outstanding General Obligation Bonded Debt,” “General Obligation Bonded Debt,” “Debt Ratios,” and “Other Outstanding Long-Term Debt” in Appendix A to the Official Statement. The information to be included may be reported in any format chosen by the City; it is not required that the format reflected in the Official Statement be used in future years.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities that

are available to the public on EMMA or filed with the SEC. The City shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Listed Events. The City shall file or cause to be filed on EMMA, in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the events listed below with respect to the Bonds:

- a. Principal and interest payment delinquencies;
- b. Non-payment related defaults, if material;
- c. Unscheduled draws on debt service reserves reflecting financial difficulties;
- d. Unscheduled draws on credit enhancements reflecting financial difficulties;
- e. Substitution of credit or liquidity providers or their failure to perform;
- f. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- g. Modifications to rights of bondholders, if material;
- h. Bond calls, if material, and tender offers;
- i. Defeasances;
- j. Release, substitution or sale of property securing repayment of the Bonds, if material;
- k. Rating changes;
- l. Bankruptcy, insolvency, receivership or similar event of the obligated person;
- m. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- n. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- o. Incurrence of a financial obligation (as defined in the Rule) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a

financial obligation of the City, any of which affect security holders, if material;¹ and

p. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

SECTION 6. Format; Identifying Information. All documents filed on EMMA pursuant to this Disclosure Certificate shall be in the format prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

As of the date of this Disclosure Certificate, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

SECTION 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the City shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

SECTION 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist the City in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If the City elects not to appoint a Dissemination Agent, or a successor Dissemination Agent, the City shall perform the duties thereof under this Disclosure Certificate. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate and any other agreement between the City and the Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, only if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The City will file notice of such amendment or waiver on EMMA.

¹ For purposes of the events identified in subparagraphs (b)(5)(i)(C)(15) and (16) of the Rule, the term "financial obligation" is defined to mean a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) a guarantee of (A) or (B). The term "financial obligation" shall not include municipal securities as to which a final official statement has been otherwise provided to the MSRB consistent with the Rule. In complying with Listed Events (15) and (16), the City intends to apply the guidance provided by the Rule or other applicable federal securities law, SEC Release No. 34-83885 (August 20, 2018) and any future guidance provided by the SEC or its staff.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries/Governing Law. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Underwriter and the holders and beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity. This Disclosure Certificate shall be governed by the laws of the State of Mississippi and applicable federal law.

IN WITNESS WHEREOF, the City has caused this Disclosure Certificate to be executed by an authorized officer all of this ____ day of _____, 2026.

CITY OF BILOXI

BY: _____
MAYOR

Attest:

By: _____
Municipal Clerk

EXHIBIT E
FORM OF PRIVATE PLACEMENT AGREEMENT

PRIVATE PLACEMENT AGREEMENT

This **PRIVATE PLACEMENT AGREEMENT**, dated _____, 2026 (this "**Placement Agreement**"), is by and among the **MISSISSIPPI DEVELOPMENT BANK** (the "**Bank**"), a public body corporate and politic of the State of Mississippi (the "**State**") exercising essential public functions, **CITY OF BILOXI, MISSISSIPPI** (the "**City**"), a body politic existing under the Constitution and laws of the State, and **RAYMOND JAMES & ASSOCIATES, INC.**, Memphis, Tennessee (the "**Placement Agent**").

WITNESSETH:

WHEREAS, pursuant to the provisions of a resolution adopted on June 16, 2026 (the "**City Bond Resolution**"), the Mayor and City Council of the City (the "**Governing Body**"), acting for and on behalf of the City, have authorized the issuance of the City's General Obligation Bond, Series 2026 (the "**City Bond**"), in the aggregate principal amount not to exceed \$18,000,000 and the sale thereof to the Bank; and

WHEREAS, the City Bond is being issued for the purpose of providing financing for (a) certain capital projects and improvements which shall consist of any of the following: erecting municipal buildings, armories, auditoriums, community centers, gymnasiums and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning and equipping the same and for erecting, equipping and furnishing of buildings to be used as a municipal or civic arts center; erecting or purchasing waterworks, gas, electric and other public utility plants or distribution systems or franchises, and repairing, improving and extending the same; purchasing or constructing, repairing, improving and equipping buildings for public libraries and for purchasing land, equipment and books therefor, whether the title to same be vested in the Municipality or in some subdivision of the state government other than the Municipality, or jointly in the Municipality and other such subdivision; establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; protecting the municipality, its streets and sidewalks from overflow, caving banks and other like dangers; constructing, improving and paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; purchasing land for parks, cemeteries and public playgrounds, and improving, equipping and adorning the same, including the constructing, repairing and equipping of swimming pools and other recreational facilities; constructing bridges and culverts; constructing, repairing and improving wharves, docks, harbors and appurtenant facilities, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect or guide the current thereof; purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; purchasing or renting voting machines and any other election equipment needed in elections held in the municipality; purchasing machinery and heavy equipment which have an expected useful life in excess of ten (10) years, but specifically not including any motor vehicles weighing less than twelve thousand (12,000) pounds (the "**City Bond Project**"); and (b) paying costs of issuance for the City Bond and the Bonds (hereinafter defined).

WHEREAS, pursuant to the terms and provisions of an Indenture of Trust, dated as of _____ 1, 2026 (the "**Indenture**"), by and between the Bank and The Peoples Bank, Biloxi, Mississippi, as trustee (the "**Trustee**"), and the provisions of a resolution adopted by the Board of

the Bank on _____, 2026 (the "**Bank Resolution**"), the Bank will issue its not to exceed \$18,000,000 Special Obligation Bonds, Series 2026 (Biloxi, Mississippi General Obligation Bond Project) (the "**Bonds**") to provide funds to purchase the City Bond, to pay capitalized interest on the Bonds and the City Bond, if any, and to pay the costs incident to the sale and issuance of the Bonds and the City Bond (the "**Project**"); and

WHEREAS, the Bonds are more fully described in the Indenture and in Schedule I attached hereto; and

WHEREAS, the Bank has employed the Placement Agent to act as its agent in connection with the private placement of the Bonds.

NOW, THEREFORE, for and in consideration of the covenants herein made, and upon the terms and subject to the conditions herein set forth, the parties hereto agree as follows:

Section 1. Definitions. All capitalized terms used herein and not otherwise herein defined shall have the meanings ascribed to them in the Indenture and the City Bond Resolution.

Section 2. Appointment of Placement Agent. Pursuant to the Indenture, the Bank Resolution, the City Bond Resolution and this Placement Agreement, the Bank and the City hereby appoint the Placement Agent as exclusive placement agent with respect to the Bonds, and the Placement Agent hereby accepts such appointment, with such duties as described herein, in the Indenture and in the City Bond Resolution.

Section 3. Placement of the Bonds. The Placement Agent hereby agrees, as the agent of the Bank and the City, to place the Bonds with _____, its affiliates, assigns or nominees (the "**Purchaser**"), pursuant to the terms set forth in the Purchaser's Commitment Letter, attached hereto as Schedule II. The Purchaser is to purchase the Bonds at the purchase price as set forth in Schedule III (the "**Purchase Price**"). It is understood that the purchase of the Bonds by the Purchaser is subject to (a) receipt by the Placement Agent of an opinion of Wise Carter Child & Caraway, a Professional Association, Gulfport, Mississippi ("**Bond Counsel**") to the effect that the Bonds constitute legal, valid and binding limited obligations of the Bank enforceable in accordance with the terms thereof and are payable from and secured only by the certain payments and funds to be received by the Bank and the Trustee and pledged to the Bonds under the Indenture, and to the effect that the interest on the Bonds is exempt from federal and State of Mississippi income taxes under existing laws, regulations, rulings and judicial decisions; (b) the delivery of certificates in form and tenor satisfactory to the Placement Agent and the Purchaser evidencing the proper execution and delivery of the Bonds and receipt of payment therefor, including statements of the Bank and the City, dated as of the date of such delivery, to the effect that there is no litigation pending or, to the knowledge of the signer or signers thereof, threatened relating to the issuance, sale and delivery of the Bonds or the City Bond; and (c) satisfaction of other conditions specified in the Indenture, the City Bond Resolution and the Bond Purchase Agreement among the Bank, the City and the Purchaser (the "**Bond Purchase Agreement**"). The Placement Agent shall be required to deposit or cause the Purchasers to deposit the Purchase Price with the Trustee on or before _____, 2026, or such later date to which the Purchasers and the parties may agree (the "**Closing Date**"), as set forth in Schedule III attached hereto. Subject to the acquisition of the Bonds by the Purchaser, the Trustee will pay \$ _____ from the proceeds of the Bonds or

from other funds of the City to the Placement Agent for its Placement Agent Fee (the "**Placement Agent Fee**") on or after the Closing Date. [The Bonds will be placed on the Closing Date with the Purchaser pursuant to the facilities of the Depository Trust Company in accordance with the exemptions set forth in Rule 15c2-12 of the Securities and Exchange Commission.]

Section 4. Tax Exemption. Bond Counsel will deliver an opinion to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, rulings and court decisions, subject to customary qualifications.

Section 5. Payment of Purchase Price. The Placement Agent agrees that it will fund or cause the Purchaser to directly fund the Purchase Price in immediately available funds pursuant to directions of the City on the Closing Date. If the Placement Agent or Purchaser does not transfer to the Trustee the Purchase Price of the Bonds to be acquired by it or the Purchasers otherwise refuse to acquire the Bonds, the Placement Agent will use its reasonable best efforts to arrange for substitute Purchasers for the Bonds on the terms set forth in Section 3.

Section 6. Limitation. Nothing contained in this Placement Agreement shall obligate the Placement Agent to purchase the Bonds in the event the Purchasers fail to pay the Purchase Price of the Bonds or in the event the Placement Agent is unable to arrange for substitute Purchasers to purchase the Bonds.

Section 7. Fees and Expenses. The Placement Agent Fee set forth herein represents the total compensation due to the Placement Agent for its services under this Placement Agreement. The City is responsible for all other expenses and fees due in connection with the sale, delivery and issuance of the Bonds which are to be paid from the balance of the proceeds of the Bonds not utilized for the Project or from other funds of the City.

Section 8. Obligations of Placement Agent. The Bank and the City acknowledge and agree that this Placement Agreement does not constitute a guarantee by the Placement Agent to arrange the placement of the Bonds. It is understood that the Placement Agent's obligations under this Placement Agreement are to use reasonable efforts throughout the term of this Placement Agreement to perform the services described herein. The Bank and the City acknowledge and agree that the Placement Agent is being retained to act solely as placement agent for the Bonds, and not as an agent, advisor or fiduciary to the Bank or the City, and that this Placement Agreement is not intended to confer rights or benefits on any member, affiliate, shareholder or creditor of the Bank or the City or any other person or entity or to provide the Bank or the City or any other person with any assurances that the transaction will be consummated.

The Placement Agent shall act as an independent contractor under this Placement Agreement, and not in any other capacity, including as a fiduciary. The Bank and the City acknowledge and agree that: (i) the transaction contemplated by the Placement Agreement is an arm's length, commercial transaction among the Bank, the City and the Placement Agent in which the Placement Agent is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Bank or the City; (ii) the Placement Agent has not assumed any advisory or fiduciary responsibility to the Bank or the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Placement Agent has provided other services or is currently providing

other services to the City on other matters); (iii) the only obligations the Placement Agent has to the Bank or the City with respect to the transaction contemplated hereby expressly are set forth in this Placement Agreement; and (iv) the Bank and the City have consulted their own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

Section 9. Governing Law. This Placement Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi.

Section 10. Counterparts. This Placement Agreement may be executed in one or more counterparts, each of which shall be an original and all of which, when taken together, shall constitute but one and the same instrument.

Section 11. Binding Effect. This Placement Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns, except that no party hereto may assign any of its rights or obligations hereunder without the consent of the other party.

Section 12. Investor Letter. The Purchaser shall execute an Investor Letter in substance and in form attached as Appendix C to the Commitment Letter attached hereto as Schedule II.

Section 13. DTC and CUSIPs; No Rating or Offering Document. The Bonds shall be registered with the Depository Trust Company, New York, New York and assigned CUSIPs. The Bonds shall not be (i) assigned a separate rating by any municipal securities agency, or (ii) issued pursuant to any type of offering document or official statement.

[remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Placement Agreement to be executed by their respective duly authorized representatives as of the day and year first above written.

**RAYMOND JAMES & ASSOCIATES,
INC., as Placement Agent**

By: _____
Managing Director

MISSISSIPPI DEVELOPMENT BANK

By _____
Executive Director

ATTEST:

By _____
Assistant Secretary

(SEAL)

CITY OF BILOXI, MISSISSIPPI

By: _____
Mayor

ATTEST:

By: _____
Municipal Clerk

SCHEDULE II

TERM SHEETS

SCHEDULE III

PURCHASE PRICE

Par Amount of Bonds	<u>\$18,000,000.00</u>
---------------------	------------------------

AGGREGATE PURCHASE PRICE	<u>\$18,000,000.00</u>
---------------------------------	-------------------------------