

November 14, 2024

City of Bay St. Louis, Mississippi
Attn: Michael Reso
City Clerk
City Hall, 2nd Floor
688 Highway 90
Bay St. Louis, MS 39520

Dear Sir:

We are pleased to advise that Cadence Bank (“Bank”) has approved the following Grant Anticipation Note (“Loan”) for the City of Bay St. Louis, Mississippi (“Borrower”) subject to the following terms and conditions:

AMOUNT

The principal amount of the Loan shall be (a) Three Million Two Hundred Fifty-Two Thousand Three Hundred and Ninety-Nine Dollars and No/100 U.S. Dollars (\$3,252,399).

PURPOSE

The purpose of the loan is to provide interim financing in anticipation of proceeds of two (2) confirmed grant commitments from the Federal Emergency Management Agency (FEMA) and the Mississippi Emergency Management Agency (MEMA).

INTEREST RATE

The interest rate during the life of the loan will be fixed at 6.18%. This rate is federally taxable and state tax-exempt.

LOAN FEES

Waived

MATURITY

The Loan shall mature 24 months after the date of issuance of the Note.

REPAYMENT

Payments on the Note will be made as follows: 1) Principal and interest, upon receipt of by the City of the proceeds of the Grant, 2) for any unpaid interest on one (1) year anniversary date of the Note, and 3) for all unpaid principal and interest still due and owing, on the final maturity date of the Note.

COLLATERAL

The Loan shall be secured by a pledge of the proceeds of the FEMA and MEMA grants.

CONDITIONS OF CLOSING

In addition to the herein referenced requirements and conditions, the proposed Loan is subject to the following:

- (1) The Bank and Borrower shall mutually agree on the form and substance of all Loan Documents.

APPLICABLE LAW; JURISDICTION

The Borrower and Guarantors agree that this commitment and the Loan Documents shall be governed by and construed under the laws of the State of Mississippi unless the law of a different state is designated by the Bank.

SURVIVAL OF COMMITMENT

The terms and conditions of this commitment shall survive the closing of the Loan; provided, however, that if any of the terms and conditions of this commitment shall conflict with any of the terms and conditions of the Loan Documents, the terms and conditions of the Loan Documents shall prevail.

EXPIRATION OF COMMITMENT

The terms and conditions of this commitment shall expire 60 days after acceptance of the commitment.

DOCUMENTATION

The provisions of this letter are intended to serve only as a general outline of the terms and conditions under which the Bank will make the Loan. Borrower will be required to sign all documents and agreements deemed necessary or desirable by the Bank for the purpose of properly evidencing and/or securing the Loan (the "Loan Documents").

Thank you for giving us the opportunity to issue this commitment letter. We look forward to working with you and toward consummating a rewarding and mutually beneficial relationship.

Sincerely,

CADENCE BANK



Christopher L. Romano
Market President Gulfport, Mississippi



Mark-David Howard Jr.
Vice President - Relationship Manager