

**Bank of Yazoo, Flowood Mississippi**

**(“Purchaser”)**

**\$2,350,000**

**CITY OF TUPELO, MISSISSIPPI**

**TAX INCREMENT LIMITED OBLIGATION BONDS, SERIES 2025**

**(TUPELO COMMONS PHASE II PROJECT)**

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Purchaser's Commitment to Finance

Maturity Date: See Below

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This Commitment will be subject to (a) the terms and conditions outlined below, which supersede any prior oral or written understanding with the Purchaser about the offer provided herein and (b) documentation satisfactory in form and content to the Purchaser. The Bond Resolution approved by the City on March 4, 2025 (the “**Bond Resolution**”), serves as the governing document; however, and as applicable, the final terms related to redemption provisions, denominations, CUSIPs, and registration are contained herein.

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|----|---------------------------------|---|
| 1. | Expected Timetable <sup>1</sup> | Bond Resolution Adoption: March 4, 2025.<br><br>Estimated Date of Delivery/Closing: April 10, 2025, or such later date as the parties may agree.                    |
| 2. | Issuer                          | City of Tupelo, Mississippi (the “ <b><u>City</u></b> ”).   |
| 3. | Bonds                           | \$2,350,000 City of Tupelo, Mississippi, Tax Increment Limited Obligation Bonds, Series 2025 (Tupelo Commons Phase II Project), dated the date of delivery thereof. |
| 4. | Non-Rated                       | Non-rated private placement; no official statement, private placement memorandum, or other offering document.   |
| 5. | CUSIP                           | The Bonds will not be assigned CUSIPs.  |
| 6. | DTC                             | The Bonds will not be registered with DTC.  |
| 7. | Tax Status                      | Taxable.  |

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<sup>1</sup> Subject to change.

8. Bond Counsel Butler Snow LLP.
9. Municipal Advisor Government Consultants, Inc.
10. Issuer's Counsel Ben Logan, Esquire.
11. Paying Agent Clerk of the City.
12. Maturity Schedule, Interest Rates & Payments  
 The Bonds shall be registered as to both principal and interest; shall be dated the date of delivery, shall be issued in the principal denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity; shall be numbered from one upward in the order of issuance; shall bear interest from the date thereof at the rate or rates specified by further order of the Governing Body, payable on April 1 of each year (an "**Interest Payment Date**"), commencing April 1, 2026; and shall mature and become due and payable on April 1 in the years 2026 through 2035, both inclusive, and in the principal amounts as follows:

| Year | Principal Amount | Interest Rate |
|------|------------------|---------------|
| 2026 | 300,000          | 6.950         |
| 2027 | 120,000          | 6.950         |
| 2028 | 150,000          | 6.950         |
| 2029 | 200,000          | 6.950         |
| 2030 | 200,000          | 6.950         |
| 2031 | 200,000          | 6.950         |
| 2032 | 300,000          | 6.950         |
| 2033 | 300,000          | 6.950         |
| 2034 | 300,000          | 6.950         |
| 2035 | 280,000          | 6.950         |

The Bonds maturing on or before April 1, 2030 are not subject to optional redemption prior to their respective maturity dates. The Bonds maturing on and after April 1, 2030 shall be subject to redemption prior to their respective maturities, at the option of

the City, in whole or in part, in integral multiples of \$5,000, from such maturities as are selected by the City and by lot within a maturity, in such a manner as the City may determine, on April 1, 2030, or any date thereafter, at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date, without a redemption premium.

13. TIF District      That certain tax parcel defined as “District Property” or the “TIF District” under that certain Tax Increment Financing Plan (Tupelo Commons Project) Tupelo, Mississippi, February 2004, as amended and restated April 2024, and as may be amended from time to time (together, the “TIF Plan”).
14. Purpose of Bonds      Proceeds of the Bonds will be used to provide funds to the City (i) to reimburse the Developer for the costs of constructing certain infrastructure improvements within the TIF District pursuant to that certain Developer’s Agreement, dated February 17, 2004, as amended and restated by an Amended and Restated Development Agreement, dated May 5, 2009, by and between the City and Big Oaks Farm, LLC, a Mississippi limited liability company, Kenlan Development -Tupelo, LLC and V.M. Cleveland, a Mississippi resident; and (iii) to pay costs of issuance.  
  
A debt service reserve fund shall not be necessary.
15. Authority to Issue      Sections 21-45-1 *et seq.*, Mississippi Code of 1972, as amended and/or supplemented from time to time (the “Act”).
16. Pledged Debt Service Repayment Sources      The Bonds shall be a special obligation of the City, payable solely from and secured by a pledge of the Tax Increment and the funds created pursuant to the Bond Resolution.
17. Issuer Covenants      The Bond Purchase Agreement shall include City covenants and representations and warranties that are usual and customary for this type of financing.
18. Conditions Precedent to Financing      Conditions precedent to financing include, but not limited to, the following:
  - (i) The City shall provide the following opinions addressed to the Purchaser, subject to customary exceptions acceptable to Purchaser and its counsel:
    - a. an opinion of counsel to the City in form and substance satisfactory to the Purchaser and its

counsel in all respects, which shall include opinions to the effect that (a) the City has the authority under the laws of the State of Mississippi to issue the Bonds and execute and deliver the agreements to be delivered by the City at Closing (the "**Bond Documents**"), (b) that the Bonds have been duly issued and each of the Bond and the Bond Documents to which the City is a party have been duly authorized, executed and delivered by the City, and (c) that each of the Bonds and the other Bond Documents to which the City is a party are valid and binding obligations of the City, duly enforceable in accordance with their terms; and

b. an opinion of bond counsel in form and substance satisfactory to the Purchaser and its counsel covering the matters set forth in sub-paragraph "a" above.

(ii) The City shall also provide resolutions of its governing body and certificates of officers of the City that are usual and customary for financing of this nature, including a certificate of the City that the resolutions adopted pre-closing authorizing the documents to which the City is a party have been spread upon its official minutes.

(iii) The Bonds will be validated by the Chancery Court of Lee County, Mississippi.

19.      Role of the Purchaser      The Purchaser and its representatives are not registered municipal advisors and do not provide advice to municipal entities or obligated persons with respect to municipal financial products or the issuance of municipal securities (including regarding the structure, timing, terms and similar matters concerning municipal financial products or municipal securities issuances) or engage in the solicitation of municipal entities or obligated persons for the provision by non-affiliated persons of municipal advisory services and/or investment advisory services. With respect to this Commitment and any other information, materials or communications provided by the Purchaser: (a) the Purchaser and its representatives are not recommending an action to any municipal entity or obligated person; (b) the Purchaser and its representatives are not acting as an advisor to any municipal entity or obligated person and do not owe a fiduciary duty

pursuant to Section 15B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to this Commitment, information, materials or communications; (c) the Purchaser and its representatives are acting for their own interests; and (d) the City has been informed that the City should discuss this Commitment and any such other information, materials or communications with any and all internal and external advisors and experts that the City deems appropriate before acting on this Commitment or any such other information, materials or communications.

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|-----|-------------------|---|
| 20. | Investment Letter | The Purchaser will be required to deliver an Investment Letter running to the Issuer and Bond Counsel, which also states, among other usual and customary matters, that it intends to hold the obligation until maturity, early redemption, or mandatory tender and has performed its own due diligence, evaluation, and investment decision without reliance upon others in a form that is satisfactory to the Issuer and Bond Counsel.  |
| 21. | Disclaimer        | <p>This Commitment describes some of the basic terms and conditions proposed to be included in the documents between the Purchaser and the City. This Commitment does not purport to summarize all the conditions, covenants, representations, warranties, assignments, events of default, cross default, acceleration events, remedies or other provisions that may be contained in documents required to consummate this financing.</p> <p>All documentation will need to be acceptable to the Purchaser and its counsel prior to closing.</p>  |
| 22. | U.S. Patriot Act  | The Purchaser represents and warrants that neither it nor any of its principals, shareholders, members, partners, or Affiliates, as applicable, is a Person named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of any such person. The Developer further represents and warrants that neither it nor any of its principals, shareholders, members, partners, or Affiliates, as applicable, are directly or indirectly, engaged in, nor facilitating, the transactions contemplated by this transaction on behalf of any Person named as a Specially Designated National and Blocked Person. |
| 23. | Confidentiality   | The parties hereto acknowledge and agree that this Commitment and the information set forth herein is confidential and  |

proprietary, and further agree to keep this Commitment and the information set forth herein CONFIDENTIAL prior to its acceptance by the City without the written consent of the Purchaser in each instance. Purchaser understands and agrees that the City may disclose this Commitment pursuant to its regular procedures to seek approval or ratification of the Commitment by the City's governing body and as otherwise required by law or regulation or its contractual continuing disclosure obligations or as a result of any legal or administrative proceeding.

24.      Expiration

This commitment may be considered firm for a period until April 10, 2025 from the date of this letter. After such date, terms, conditions, and pricing may change based on prevailing market conditions and further discussion will be at Purchaser's sole discretion. We will work closely with the parties' financial advisors and legal counsel, and Bond Counsel, to effectuate a smooth closing, subject to all the terms and conditions hereof.

Yours very truly,

BANK OF YAZOO

By: \_\_\_\_\_

Name: Ben Aldridge

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2025

The City of Tupelo, Mississippi hereby approves and accepts the terms and conditions contained in the above Commitment with the intent to be legally bound.

CITY OF TUPELO, MISSISSIPPI

By: \_\_\_\_\_

Name: Todd Jordan

Title: Mayor

Date: March 4, 2025