

INDENTURE OF TRUST

by and between

MISSISSIPPI DEVELOPMENT BANK

and

THE PEOPLES BANK, as Trustee

Dated ____, 2023

Relating To The Issuance Of

\$ ____,000,000

**MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BONDS, SERIES 2023
(City of Tupelo, Mississippi Public Improvement
General Obligation Bond Project)**

TABLE OF CONTENTS

	Page
ARTICLE I. DEFINITIONS AND RULES OF INTERPRETATION	4
SECTION 1.01. Definitions.	4
SECTION 1.02. Rules of Interpretation.	10
ARTICLE II. AUTHORIZATION AND ISSUANCE OF BONDS	12
SECTION 2.01. Authorization and Issuance of Series 2023 Bonds.	12
SECTION 2.02. Purpose and Disposition of Series 2023 Bonds.	12
SECTION 2.03. General Description of the Series 2023 Bonds.	12
SECTION 2.04. Provisions for Issuance of Series 2023 Bonds.	13
SECTION 2.05. Provisions for Issuance of Refunding Bonds.	14
SECTION 2.06. Form of Series 2023 Bonds.	15
SECTION 2.07. Book-Entry Only System.	24
SECTION 2.08. Successor Securities Depository; Transfers Outside Book-Entry Only System.	24
SECTION 2.09. Payments.	25
ARTICLE III. GENERAL TERMS AND PROVISIONS OF BONDS	26
SECTION 3.01. Medium, Form and Place of Payment.	26
SECTION 3.02. Legends.	26
SECTION 3.03. Execution.	26
SECTION 3.04. Authentication.	26
SECTION 3.05. Mutilated, Lost, Stolen or Destroyed Bonds.	26
SECTION 3.06. Registration, Transfer and Exchange of Bonds; Persons Treated as Owners.	27
SECTION 3.07. Destruction of Bonds.	28
SECTION 3.08. Nonpresentment of Bonds.	28
SECTION 3.09. Other Obligations Payable from Revenues.	28
SECTION 3.10. Temporary Bonds.	28
SECTION 3.11. Limitations on Obligations of the Issuer.	29
SECTION 3.12. Immunity of Officers and Directors.	29
ARTICLE IV. REDEMPTION OF SERIES 2023 BONDS PRIOR TO MATURITY	31
SECTION 4.01. Redemption and Redemption Prices and Terms for Series 2023 Bonds.	31
SECTION 4.02. Redemption at the Election or Direction of the Issuer.	32
SECTION 4.03. Selection of Series 2023 Bonds to be Redeemed.	32
SECTION 4.04. Redemption Payments.	32
SECTION 4.05. Notice of Redemption.	32
SECTION 4.06. Cancellation.	33

ARTICLE V. GENERAL COVENANTS	34
SECTION 5.01. Payment of Debt Service.	34
SECTION 5.02. Performance of Covenants.	34
SECTION 5.03. Instruments of Further Assurance.	34
SECTION 5.04. Covenants Concerning Program.	34
SECTION 5.05. Possession and Inspection of City Bond.	35
SECTION 5.06. Accounts and Reports.	35
SECTION 5.07. Issuer Covenants with Respect to the City Bond.	35
SECTION 5.08. Monitoring Investments.	36
SECTION 5.09. Covenants Concerning Preservation of Tax Exemption.	36
ARTICLE VI. REVENUES AND FUNDS	37
SECTION 6.01. Source of Payment of Bonds.	37
SECTION 6.02. Creation of Funds.	37
SECTION 6.03. Deposit of Net Proceeds of Bonds.	37
SECTION 6.04. Deposit of Revenues and Other Receipts.	37
SECTION 6.05. Operation of General Account.	37
SECTION 6.06. Operation of the Redemption Account.	38
SECTION 6.07. Operation of the Purchase Account.	38
SECTION 6.08. Operation of Bond Issuance Expense Account.	38
SECTION 6.09. Operation of the Rebate Fund.	39
SECTION 6.10. Moneys to be Held in Trust.	39
SECTION 6.11. Amounts Remaining in Funds or Accounts.	40
SECTION 6.12. Certain Verifications.	40
ARTICLE VII. PURCHASE OF CITY BOND	41
SECTION 7.01. Terms and Conditions of Purchase.	41
SECTION 7.02. Purchase.	41
SECTION 7.03. Retention and Inspection of Documents.	42
SECTION 7.04. Report.	42
ARTICLE VIII. INVESTMENT OF MONEYS	43
SECTION 8.01. General Provisions.	43
SECTION 8.02. Valuation of Investments.	43
SECTION 8.03. Arbitrage Restrictions; Series 2023 Bonds to Remain Tax Exempt.	44
ARTICLE IX. DISCHARGE OF INDENTURE	45
SECTION 9.01. Discharge of Indenture.	45

ARTICLE X. DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS	47
SECTION 10.01. Defaults; Events of Default.....	47
SECTION 10.02. Remedies; Rights of Bondholders.	48
SECTION 10.03. Rights of Bondholders to Direct Proceedings.....	49
SECTION 10.04. Appointment of Receivers.	49
SECTION 10.05. Application of Moneys.	49
SECTION 10.06. Remedies Vested in the Trustee.....	51
SECTION 10.07. Rights and Remedies of Bondholders.....	51
SECTION 10.08. Termination of Proceedings.....	51
SECTION 10.09. Waivers of Events of Default.....	52
SECTION 10.10. Notice of Defaults under Section 10.01(d) or (e); Opportunity of the Issuer to Cure Such Defaults.	52
 ARTICLE XI. TRUSTEE	 53
SECTION 11.01. Acceptance of the Trusts.....	53
SECTION 11.02. Fees, Charges and Expenses of the Trustee.....	55
SECTION 11.03. Intervention by the Trustee.	55
SECTION 11.04. Successor Trustee.	55
SECTION 11.05. Resignation by the Trustee.	55
SECTION 11.06. Removal of the Trustee.....	55
SECTION 11.07. Appointment of Successor Trustee by the Bondholders; Temporary Trustee.	56
SECTION 11.08. Concerning Any Successor Trustee.....	56
SECTION 11.09. Indemnification.....	57
SECTION 11.10. Successor Trustee as Trustee of Funds, Paying Agent and Registrar.....	57
 ARTICLE XII. SUPPLEMENTAL INDENTURES	 58
SECTION 12.01. Supplemental Indentures not Requiring Consent of Bondholders.....	58
SECTION 12.02. Supplemental Indentures Requiring Consent of Bondholders.....	58
 ARTICLE XIII. MISCELLANEOUS	 60
SECTION 13.01. Consents, etc. of Bondholders.	60
SECTION 13.02. Limitation of Rights.....	60
SECTION 13.03. Severability.	60
SECTION 13.04. Notices.	60
SECTION 13.05. Trustee as Paying Agent and Registrar.....	60
SECTION 13.06. Payments Due on Saturdays, Sundays and Holidays.....	61
SECTION 13.07. Counterparts.....	61
SECTION 13.08. Receipt of Money or Revenues by Trustee.....	61
SECTION 13.09. Applicable Provisions of Law.....	61

EXHIBIT A – FORM OF CITY BOND

INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this “**Indenture**”) is dated ___, 2023, 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 “**Issuer**”), organized under the provisions of Sections 31-25-1 *et seq.* Mississippi Code of 1972, as from amended and supplemented from time to time (the “**Issuer Act**”), and **THE PEOPLES BANK**, a banking corporation duly organized, existing and authorized under the laws of the State of Mississippi to accept and execute trusts of the character herein with a corporate trust office in Biloxi, Mississippi, as trustee (in such capacity, the “**Trustee**”).

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered by the provisions of the Act (as hereinafter defined) to issue the Bonds (as defined herein) for the purpose of buying “securities” of “local governmental units” (as such terms are defined in the Issuer Act); and

WHEREAS, the City of Tupelo, Mississippi (the “**City**”) is a Local Governmental Unit (as hereinafter defined) under the Issuer Act and has duly authorized the issuance of its Securities (as hereinafter defined) designated as the City of Tupelo, Mississippi Public Improvement General Obligation Bond, Series 2023 in the aggregate principal amount of _____ Million Dollars (\$____,000,000) (the “**City Bond**”); and

WHEREAS, pursuant to the terms and provisions hereof and a City Bond Purchase Agreement, dated _____, 2023, by and between the Issuer and the City (the “**City Bond Purchase Agreement**”), the Issuer will issue its \$____,000,000 Special Obligation Bonds, Series 2023 (City of Tupelo, Mississippi Public Improvement General Obligation Bond Project) (the “**Series 2023 Bonds**”) to provide funds to purchase the City Bond, and to pay the costs incident to the sale and issuance of the Series 2023 Bonds and the City Bond; and

WHEREAS, the proceeds of the City Bond will be used by the City to provide funds to pay the costs authorized in the City Bond Act, as defined herein, including, but not limited to, financing certain capital projects of the City which shall consist of any of (i) constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; (ii) erecting, repairing, improving, adorning and equipping municipal buildings and purchasing buildings and land therefor; (iii) 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; (iv) purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; (v) erecting or purchasing waterworks, gas, electric and other public utility plants or distribution systems or franchises, and repairing, improving and extending the same; (vi) establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; (vii) protecting a municipality, its streets and sidewalks from overflow, caving banks and other like dangers; (viii) constructing bridges and culverts; (ix) purchasing machinery and equipment, including motor vehicles weighing not less than twelve thousand (12,000) pounds, which have an expected useful life in excess of ten (10) years which expected useful life shall exceed the life of the bonds financing such purchase; and (x) for other

authorized purposes under the City Bond Act, including funding capitalized interest, if applicable, and paying the costs of borrowing (the “**City Project**”), all as more particularly described in the City Bond Resolution and the City Bond 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 Directors of the Issuer.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

The Issuer, 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 Issuer 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 Issuer 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 (as hereinafter defined) and Accounts (as hereinafter defined) created or established under this Indenture (other than the Rebate Fund, as hereinafter defined) 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).

GRANTING CLAUSE SECOND

The City Bond acquired and held by the Trustee pursuant to this Indenture, all the payments thereunder, all the earnings thereon and all proceeds thereof and all rights of the holder of the City Bond under the City Bond Resolution.

GRANTING CLAUSE THIRD

All funds, accounts and monies hereinafter pledged to the Trustee in accordance with this Indenture as security by the Issuer to the extent of that pledge.

TO HAVE AND TO HOLD all and singular the Trust Estate (as hereinafter defined), 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 Issuer shall pay or cause to be paid, or there shall otherwise be paid or made provision for payment of, the principal of, Redemption Price, and interest on the Bonds due or to become due thereon, at the times and in the manner prescribed in the Bonds, 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 which payments shall otherwise comply with Article IX 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 Issuer 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 I.

DEFINITIONS AND RULES OF INTERPRETATION

SECTION 1.01. Definitions. The following words and phrases shall have the following meanings unless the context otherwise requires:

“**Accounts**” means the accounts created pursuant to Article VI hereof.

“**Act**” means together the Issuer Act and the City Bond Act.

“**Arbitrage Rebate Agreement**” means the Arbitrage Rebate Agreement by and between the Issuer and the City, dated _____, 2023, in connection with the Series 2023 Bonds, or any similar documentation included within a certificate or other agreement of the Issuer and the City regarding the status of the income of the Series 2023 Bonds for federal income tax purposes.

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

“**Bankruptcy Code**” means 11 U.S.C. Section 101 *et seq.*, as amended or supplemented from time to time.

“**Beneficial Owner**” means, whenever used with respect to a Bond, the person in whose name such Bond 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 Mayor and the City Council of the City and the Issuer 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. Bond Counsel shall initially mean Butler Snow LLP, Ridgeland, Mississippi.

“**Bond Purchase Agreement**” means that certain Bond Purchase Agreement, dated _____, 2023, by and among the Bank, the Underwriter and the City in connection with the issuance and sale of the Series 2023 Bonds,

“**Bond Issuance Expense Account**” means the account by that name created by Section 6.02 hereof.

“**Bond Register**” means the registration records of the Issuer 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 2023 Bonds and any Refunding Bonds issued pursuant to this Indenture.

“**Business Day**” means any day other than (a) a Saturday, (b) a Sunday, (c) any other day on which banking institutions in New York, New York or Biloxi, Mississippi, are authorized or required not to be open for the transaction of regular banking business, (e) any day the City Courthouse in Tupelo, Mississippi is closed, or (f) a day on which the New York Stock Exchange is closed.

“**City**” means City of Tupelo, Mississippi, a Local Governmental Unit under the Issuer Act.

“**City Bond**” means the \$____,000,000 Public Improvement General Obligation Bond, Series 2023, issued by the City pursuant to the City Bond Resolution and registered to the Trustee as assignee of the Issuer pursuant to this Indenture, the form of which is attached as Exhibit A hereto.

“**City Bond Act**” means Sections 21-33-301 et seq., Mississippi Code of 1972, as the same may be supplemented and amended from time to time.

“**City Bond Interest Payment**” means that portion of a City Bond Payment which represents the interest due or to become due on the City Bond.

“**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 Principal Payment**” means that portion of a City Bond Payment which represents the principal due or to become due on the City Bond.

“**City Bond Purchase Agreement**” means that certain City Bond Purchase Agreement, dated ____, 2023, by and between the City and the Issuer in connection with the issuance and sale of the City Bond.

“**City Bond Resolution**” means that certain resolution adopted by the Mayor and the City Council of the City on September 5, 2023, in connection with the issuance of the City Bond.

“**City Project**” means providing financing for the costs authorized by the City Bond Act, including, but not limited to, financing certain capital projects of the City which shall consist of any of (i) constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; (ii) erecting, repairing, improving, adorning and equipping municipal buildings and purchasing buildings and land therefor; (iii) 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; (iv) purchasing fire-fighting equipment and apparatus, and providing housing for same, and purchasing land therefor; (v) erecting or purchasing waterworks, gas, electric and other public utility plants or distribution systems or franchises, and repairing,

improving and extending the same; (vi) establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; (vii) protecting a municipality, its streets and sidewalks from overflow, caving banks and other like dangers; (viii) constructing bridges and culverts; (ix) purchasing machinery and equipment, including motor vehicles weighing not less than twelve thousand (12,000) pounds, which have an expected useful life in excess of ten (10) years which expected useful life shall exceed the life of the bonds financing such purchase; and (x) for other authorized purposes under the City Bond Act, including funding capitalized interest, if applicable, and paying the costs of borrowing.

“**Code**” or “**Internal Revenue Code**” means the Internal Revenue Code of 1986, as amended, and all applicable Treasury Regulations promulgated thereunder.

“**Costs of Issuance**” means items of expense payable or reimbursable, directly or indirectly, by the Issuer and related to the authorization, sale, validation, issuance and/or delivery of the Series 2023 Bonds and the City Bond, 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 (including Bond Counsel fees), financial/municipal advisory and professional consultants' fees, costs of credit ratings, fees and charges for execution, transportation and safekeeping of the Series 2023 Bonds, credit enhancements or liquidity facility fees, 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 Issuer, the City and the Trustee, as applicable.

“**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.

“**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 between the Bank and DTC.

“**Event of Default**” means any occurrence or event specified in Section 10.01 hereof.

“**Fiscal Year**” means, when used with respect to the Issuer, the Issuer's fiscal year being the twelve (12) month period from July 1 through the following June 30 or such other fiscal year as may be established by the Issuer.

“**Funds**” means the funds created pursuant to Article VI hereof (except for the Rebate Fund).

“**General Account**” means the account by that name created by Section 6.02 hereof.

“**General Fund**” means the fund by that name created by Section 6.02 hereof.

“Governmental Obligations” means to the extent permitted by State law (a) direct obligations of the United States of America; (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; and (c) obligations of any state of the United States of America or any political subdivision thereof, the full payment of principal of, premium, if any, and interest on which (i) is fully and unconditionally guaranteed or insured by the United States of America, or (ii) is provided for by an irrevocable deposit of the securities described in clause (i) to the extent such investments are permitted by State law.

“Indenture” means this Indenture of Trust, and all supplements and amendments hereto entered into pursuant to Article XII hereof.

“Interest Payment Date” means any date on which interest is payable on the Bonds, and for the Series 2023 Bonds, means each March 1 and September 1, commencing September 1, 2024.

“Investment Securities” means any of the following to the extent such investments are permitted by State law: (a) obligations of the State, any municipality of the State or the United States of America rated at least “A” by S&P or Moody's; (b) obligations the principal and interest of which are fully guaranteed by the State or the United States of America; (c) obligations of any corporation wholly owned by the United States of America; (d) obligations of any corporation sponsored by the United States of America which are or may become eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System; (e) obligations of insurance firms or other corporations whose investments are rated “AA” or better by recognized rating companies; (f) certificates of deposit or time deposits of qualified depositories of the State as approved by the State Depository Commission, secured in such manner, if any, as the Issuer shall determine; (g) contracts for the purchase and sale of obligations of the type specified in items (a) through (e) above; (h) repurchase agreements secured by obligations specified in items (a) through (e) above; or (i) money market funds, rated “AAm” or “AAm-G” or better by S&P, the assets of which are required to be invested in obligations specified in items (a) through (f) above.

“Issuer” means the Mississippi Development Bank, a body corporate and politic exercising essential public functions, or any successor to its functions.

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

“Local Governmental Unit” means (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, such as the City. The City is a Local Governmental Unit under the Issuer Act.

“**Moody's**” means Moody's Investors Service, Inc., a Delaware corporation, its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City (with the approval of the Issuer), with written notice to the Trustee.

“**Notice Address**” means, with respect to the City, the City's address given in connection with the sale of the City Bond to the Issuer, and, with respect to the Issuer, the Trustee and the Underwriter:

Issuer:	Mississippi Development Bank 735 Riverside Drive, Suite 300 Jackson, Mississippi 39202 Attention: Executive Director
Trustee:	The Peoples Bank 758 Howard Avenue Biloxi, Mississippi 39530 Attention: Corporate Trust Department
Underwriter:	Raymond James & Associates, Inc. 1100 Ridgeway Loop, 3 rd floor Memphis, Tennessee 38120 Attention: Municipal Finance

“**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 Issuer 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 Issuer 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 Issuer, 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 IX hereof; and

(c) Bonds in lieu of which other Bonds have been authenticated under Section 3.05, 3.06 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 any mandatory sinking fund redemption date of any Bond.

“Program” means the program for purchasing Securities of Local Governmental Units by the Issuer pursuant to the Issuer Act.

“Program Expenses” means all of the fees and expenses of the Trustee relating to the Series 2023 Bonds or the City Bond and costs of determining the amount rebatable, if any, to the United States of America under Section 6.09 hereof, all to the extent properly allocable to the Program and approved in writing by the Issuer.

“Project” means using the proceeds of the Series 2023 Bonds to provide financing (a) to the City for the City Project, and (b) to pay the Costs of Issuance for the City Bond and the Series 2023 Bonds.

“Purchase Account” means the account by that name created by Section 6.02 hereof.

“Rebate Fund” means the fund by that name created by Section 6.02 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 6.02 hereof.

“Redemption Price” means, with respect to any Bond, the principal amount thereof, plus premium, if any, and accrued interest payable upon redemption prior to maturity.

“Refunding Bonds” means bonds issued pursuant to Section 2.05 hereof and any Supplemental Indenture.

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

“Related Documents” means this Indenture and the City Bond Resolution.

“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 and Poor's Ratings Services, a Standard & Poor's Financial Services Inc. business, 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 Issuer), with written notice to the Trustee.

“**Securities**” means bonds, notes or other evidences of indebtedness issued by a Local Governmental Unit pursuant to the Issuer Act including the City Bond.

“**Series 2023 Bonds**” means the \$____,000,000 Mississippi Development Bank Special Obligation Bonds, Series 2023 (City of Tupelo, Mississippi Public Improvement General Obligation Bond Project) issued pursuant to Section 2.01 of this Indenture.

“**State**” means the State of Mississippi.

“**Supplemental Indenture**” means an indenture supplemental to or amendatory of this Indenture, executed by the Issuer and the Trustee in accordance with Article XII hereof.

“**Trust Estate**” means the property, rights, and amounts pledged and assigned to the Trustee as security for the Bonds, pursuant to the granting clauses hereof.

“**Trustee**” means the state banking corporation or national banking association with corporate trust powers qualified to act as Trustee under this Indenture which may be designated (originally or as a successor) as Trustee for the owners of the Bonds issued and secured under the terms of this Indenture, and which shall initially be The Peoples Bank, Biloxi, Mississippi.

“**Underwriter**” means Raymond James & Associates, Inc., Memphis, Tennessee.

SECTION 1.02. 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 as it may from time to time be supplemented or amended pursuant to the applicable provisions hereof.

(b) The words “herein” and “hereof” and “hereunder” and words of similar import, without reference to any particular section or subdivision, refer to this Indenture as a whole rather than to any particular section or subdivision of this Indenture.

(c) References in this Indenture to any particular article, section or subdivision hereof are to the designated article, section or subdivision of this Indenture as originally executed.

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

provided for herein shall be made in accordance with generally accepted accounting principles consistently applied and applied on the same basis as in prior years.

(e) The Table of Contents and titles of articles and sections herein are for convenience only and are not a part of this Indenture.

(f) Unless the context hereof clearly requires otherwise, the singular shall include the plural and vice versa and the masculine shall include the feminine and vice versa.

(g) Articles, sections, subsections and clauses mentioned by number only are those so numbered which are contained in this Indenture.

(h) For purposes of this Indenture, a petition in bankruptcy shall be deemed dismissed only if the petition is dismissed by order of a court of competent jurisdiction and no further appeal rights exist from such order.

(i) Any Opinion of Counsel required hereunder shall be a written opinion of such counsel.

ARTICLE II.

AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 2.01. Authorization and Issuance of Series 2023 Bonds.

(a) In accordance with the Issuer Act, bonds of the Issuer to be known and designated as “Mississippi Development Bank Special Obligation Bonds, Series 2023 (City of Tupelo, Mississippi Public Improvement General Obligation Bond Project),” are hereby authorized to be issued, authenticated and delivered in the aggregate principal amount of _____ Million Dollars (\$____,000,000).

(b) 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 2023 Bonds issued pursuant to this Indenture. The Series 2023 Bonds shall be payable solely from the Revenues. The State shall not be liable on the Series 2023 Bonds and the Series 2023 Bonds shall not be a debt, liability, pledge of the faith or loan of the credit or moral obligation of the State. The Series 2023 Bonds shall contain on the face thereof a statement to the effect that the Issuer is obligated to pay the principal of the Series 2023 Bonds, Redemption Price, and the interest thereon only from the Revenues and that the State is not obligated to pay such principal, Redemption Price, and interest and that neither the faith and credit nor the taxing power of the State is pledged to the payment of the Series 2023 Bonds. In the Issuer Act, the State has pledged to and agreed with the holders of any bonds of the Issuer that the State will not limit or alter the rights hereby vested in the Issuer 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. The Series 2023 Bonds shall mature on or before March 1, 20____ as set forth herein.

SECTION 2.02. Purpose and Disposition of Series 2023 Bonds. The purpose for issuing the Series 2023 Bonds is to provide funds (i) to fund the Purchase Account for the purchase of the City Bond (which amounts are to provide financing for the City Project pursuant to the Act), and (ii) to pay Costs of Issuance in connection with the Series 2023 Bonds and the City Bond. Upon the delivery of the Series 2023 Bonds and receipt of the net proceeds therefor, the Issuer shall deliver, or provide for the delivery, to the Trustee the proceeds of the Series 2023 Bonds in the amount of \$____,000,000.

(b) The net proceeds of the Series 2023 Bonds shall be deposited as follows: (i) into the Bond Issuance Expense Account, the sum of \$_____.00 to pay Costs of Issuance of the Series 2023 Bonds and the City Bond, and (ii) into the Purchase Account, the sum of \$_____.00, which amount is to be immediately distributed to the City as provided in Sections 6.07(a) and 7.02 hereof to pay the costs of the City Project.

SECTION 2.03. General Description of the Series 2023 Bonds. The Series 2023 Bonds shall initially be issued as fully registered bonds in the denomination of \$5,000 or any

integral multiple thereof. The Series 2023 Bonds shall be numbered from R-1 upward, as applicable.

(b) The Series 2023 Bond shall be dated the date of its original issuance, and shall carry the date on which it is authenticated. If the Series 2023 Bond is authenticated on or prior to September 1, 2024, it shall bear interest from its date of original issuance. Any Series 2023 Bond authenticated after September 1, 2024, 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 2023 Bond unless such Series 2023 Bond is authenticated after a Record Date and on or before the next succeeding Interest Payment Date, in which event the Series 2023 Bond will bear interest from such next succeeding Interest Payment Date.

(c) Interest on the Series 2023 Bonds shall be payable on March 1 and September 1, commencing September 1, 2024, until the Series 2023 Bonds are paid. Interest will be calculated using a three hundred sixty (360) day year based on twelve (12) thirty (30) day months.

(d) The Series 2023 Bonds shall mature on March 1 in the years and in the principal amounts, shall bear interest at the rate per annum, and shall be payable as set forth below:

Year	Principal Amount	Interest Rate
20____*	\$____,000,000	_____%

*Term Bond subject to mandatory sinking fund redemption as set forth herein.

SECTION 2.04. Provisions for Issuance of Series 2023 Bonds. The Series 2023 Bonds shall be executed by Authorized Officers of the Issuer for issuance under this Indenture, shall be delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to or as directed by the Underwriter through the facilities of DTC, the Bank or to the purchasers thereof, 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 Issuer authorizing the execution and delivery of this Indenture and all other instruments contemplated thereby and the authorization, issuance, sale and delivery of the Series 2023 Bonds;

(b) A copy, duly certified by the City Clerk of the City 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 this Indenture;
- (d) Signed copies of all opinions of Counsel required by Bond Counsel;
- (e) A request and authorization to the Trustee by or on behalf of the Issuer and signed by an Authorized Officer to authenticate and deliver the Series 2023 Bonds to or as directed by the Underwriter and specifying the amounts to be deposited in the accounts of the General Fund pursuant to Section 2.02 hereof;
- (f) Signed copies of the legal opinion of Bond Counsel; and
- (g) Such further documents, moneys and securities as are required by the provisions of Article VII hereof.

SECTION 2.05. Provisions for Issuance of Refunding Bonds.

(a) All or any part of one or more series of Refunding Bonds may be issued hereunder, 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 2.04 hereof) of:

(i) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Series 2023 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 4.05 hereof to the owners of the Series 2023 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 2023 Bonds to be refunded or paid, respectively, together with accrued interest on such Series 2023 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 City in a separate account irrevocably in trust for and assigned to the respective owners of the Series 2023 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 IX which Governmental Obligations shall be held in trust and used only as provided in said Article.

SECTION 2.06. Form of Series 2023 Bonds. The Series 2023 Bonds and the Trustee's certificate of authentication to be endorsed on the Series 2023 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 2023 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 2023
(CITY OF TUPELO, MISSISSIPPI PUBLIC IMPROVEMENT
GENERAL OBLIGATION BOND PROJECT)

No. R-__ \$_____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Date</u>	<u>Date of Authentication</u>	<u>CUSIP</u>
%	March 1, 20__	_____, 2023	_____, 2023	___

Registered Owner: CEDE & CO.

Principal Amount:

Mississippi Development Bank, a body corporate and politic, exercising essential public functions (the "Issuer"), and 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, without surrender hereof other than upon the final payment of principal (whether upon redemption or at maturity), 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, unless this Bond, as hereinafter defined, shall be redeemable and shall previously have been called for redemption and payment of the Redemption Price made or provided for, and to pay interest on such principal amount 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 Bond (unless this Bond is authenticated on or before September 1, 2024, then from __, 2023, or unless this Bond is authenticated after September 1, 2024, 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 March 1 and September 1, commencing September 1, 2024, until payment of such principal amount shall have been made upon redemption or at maturity. The principal of this Bond is payable at the corporate trust office (the “**Principal Office**”) of The Peoples Bank, Biloxi, Mississippi (the “**Trustee**”), or at a corporate trust office of any successor trustee appointed under the Indenture hereinafter mentioned; and payments of interest hereon 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 (15th) day of the month prior to such Interest Payment Date) by check mailed on the Interest Payment Date by the Trustee to such Registered Owner at its address as it appears on the registration records of the Issuer kept by the Trustee or at such other address as is furnished to the Trustee in writing by such Registered Owner or at the written election of the Registered Owner of \$100,000 or more in aggregate principal amount of this Bond delivered to the Trustee at least one Business Day prior to the Record Date (as defined in the within defined 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. No presentation or surrender shall be required for any mandatory sinking fund redemption of this Bond.

This Bond and the interest payable hereon and thereon, is payable by the Issuer solely from the Revenues (as defined herein) and other funds of the Issuer pledged therefor under the Indenture, which Revenues and funds include the payments on the City Bond (as defined herein) purchased by the Issuer. The Issuer has no taxing power. This Bond, as to principal, premium, if any, and interest, constitutes 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 (as hereinafter defined), which provides security for this Bond, is a general obligation of the City of Tupelo, Mississippi (the “**City**”). The issuance of this Bond under the provisions of the Act (as defined herein) does not, directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation for the payment thereof or to make any appropriation for its payment and this Bond does 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 does 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 except for the City. Neither the State nor any agent, attorney, member or employee of the State or of the Issuer shall in any event be liable for the payment of the principal of, premium, if any, or interest on this Bond or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Issuer. No breach by the Issuer 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 Issuer, or any charge upon their general credit or upon the taxing power of the State.

This Bond is one of an authorized issue of bonds by the Issuer known as Mississippi Development Bank Special Obligation Bonds, Series 2023 (City of Tupelo, Mississippi Public

Improvement General Obligation Bond Project) (the “**Series 2023 Bonds**”) issued under and secured by an Indenture of Trust, dated __, 2023 (“**Indenture**”), duly executed and delivered by the Issuer to the Trustee. This Bond is limited in aggregate principal amount to _____ Million Dollars (\$____,000,000). This Bond is issued pursuant to Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the “**Issuer Act**”), and Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the “**City Bond Act**” and together with the Issuer Act, the “**Act**”), to provide funds to purchase the City Bond and to pay the costs of issuing the Series 2023 Bonds and the City Bond. The City Bond is the City of Tupelo, Mississippi Public Improvement General Obligation Bond, Series 2023, issued in the aggregate principal amount of \$____,000,000 (the “**City Bond**”). The City Bond is a general obligation of the City secured and described in that certain resolution, adopted by the Mayor and the City Council of the City on September 5, 2023 (the “**City Bond Resolution**”). The proceeds received by the City from the sale of the City Bond to the Issuer will be used by the City for the purpose of providing projects authorized under the City Bond Act.

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

The City Bond Resolution, a certified copy of which is on file in the Principal Office of the Trustee, provides that the City is unconditionally 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, premium, if any, and interest on all Bonds issued and outstanding under the Indenture, to the date of payment thereof, and certain costs, expenses and charges of the Issuer and the Trustee.

For purposes of funding the 2023 Bond Fund (as defined in the City Bond Resolution) of the City, the City Bond Resolution provides that the City will levy a direct, continuing and 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, premium, if any, and interest on the City Bond. 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 the 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; provided, however, that such tax levy for any year shall be abated *pro tanto* to the extent the City on or prior to September 1 of that year has transferred money to the 2023 Bond Fund, 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. The avails of said tax are irrevocably pledged by the City under the City Bond Resolution for the payment of the principal of, premium, if any, and interest on the City Bond as the same shall respectively mature and accrue.

The Series 2023 Bonds are all equally and ratably secured by and entitled to the protection of the Indenture on a parity one with another and with any Refunding Bonds which may be issued pursuant to the terms of the Indenture. To secure payment of the principal of and

interest on all Bonds and performance of all other covenants of the Issuer under the Indenture, the Issuer, 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 City Bond Payments, all right, title and interest of the Issuer 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 Issuer, the Trustee and the owners of the Bonds, the terms and conditions upon which the Bonds are issued and the terms and conditions upon which the Bonds will be paid at or prior to maturity, or will be deemed to be paid upon the making of provision for payment therefor. A copy of the Indenture is on file in the Principal Office of the Trustee.

THE SERIES 2023 BONDS ARE LIMITED AND SPECIAL OBLIGATIONS OF THE ISSUER AND DO NOT CONSTITUTE OR CREATE AN OBLIGATION, GENERAL OR SPECIAL, DEBT, LIABILITY OR MORAL OBLIGATION OF THE STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS WHATSOEVER AND NEITHER THE FAITH OR CREDIT NOR THE TAXING POWER OF THE STATE, THE ISSUER OR OF ANY OTHER POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR THE INTEREST ON THE SERIES 2023 BONDS; PROVIDED, HOWEVER, THAT THE CITY BOND CONSTITUTES A PLEDGE OF THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY. THE SERIES 2023 BONDS ARE NOT A GENERAL OBLIGATION OF THE ISSUER BUT ARE A LIMITED AND SPECIAL REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE, INCLUDING, WITHOUT LIMITATION, THE AVAILS OF THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY DERIVED OR TO BE DERIVED FROM PAYMENTS MADE BY THE CITY IN RESPECT OF THE CITY BOND PURSUANT TO THE CITY BOND RESOLUTION AND FROM ANY MONEYS RECEIVED BY THE TRUSTEE UNDER THE INDENTURE. THE ISSUER HAS NO TAXING POWER.

This Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the Principal 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 Bond. This 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 Bond of the same maturity for the same then outstanding principal amount will be issued to the transferee in exchange therefor. Nothing in the Indenture shall be construed as a limitation on the right of the Registered Owner or its assignees to sell or assign participation interest in this Bond.

The Issuer 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 Issuer nor the Trustee shall be affected by any notice to the contrary.

The Series 2023 Bonds are issuable as fully registered bonds in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and upon payment of any taxes or governmental charges, the Series 2023 Bonds may be exchanged for a like aggregate principal amount of Series 2023 Bonds of the same maturity of authorized denominations.

Optional Redemption.

In accordance with the Indenture and the City Bond Resolution, the Series 2023 Bonds (or any portions thereof in integral multiples of \$5,000 each) maturing on or after March 1, 20__, are subject to redemption in whole or in part, in principal amounts and maturities selected by the Bank on any date on or after March 1, 20__, at par, plus accrued interest to the date of redemption. Under the Indenture, selection of the Series 2023 Bonds to be redeemed within a maturity will be made by lot by the Trustee. 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 Bonds are in book-entry form.

Mandatory Sinking Fund Redemption.

The Series 2023 Bonds are subject to mandatory sinking fund redemption as follows:

The Series 2023 Bonds maturing March 1, 20__ in the principal amount of \$_____ are subject to mandatory sinking fund redemption, prior to their scheduled maturity on March 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:

**\$____,000 Term Bonds
Maturing __ 1, 20__
_.00%**

Year	Principal Amount
20	\$,000
20*	,000

* Final Maturity

The Series 2023 Bonds maturing March 1, 20__ in the principal amount of \$_____ are subject to mandatory sinking fund redemption, prior to their scheduled maturity on March 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:

\$___,000 Term Bonds
Maturing __ 1, 20__
___.00%

Year	Principal Amount
20	\$,000
20*	,000

* Final Maturity

In the event less than all of the Series 2023 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 Series 2023 Bonds to be redeemed by lot within a selected maturity, provided that Series 2023 Bonds shall be redeemed only in whole multiples of \$5,000.

In the event the Series 2023 Bonds are called for optional redemption as aforesaid, notice of the call thereof shall be given by the Trustee by mailing a copy of the redemption notice by first class mail, postage prepaid, 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 the Series 2023 Bonds at the address shown on the registration records kept by the Trustee. If applicable, any such notice may be conditioned upon the deposit of sufficient moneys to effect such redemption at or prior to the date fixed for redemption and if such moneys to effect such redemption are not deposited, the Series 2023 Bonds shall not be subject to redemption pursuant to such notice. No call notices will be delivered in connection with any scheduled mandatory sinking fund redemption.

All Series 2023 Bonds or any portion thereof (in the case of a mandatory sinking fund redemption) has been called for redemption, the principal amount redeemed 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 the redemption thereof are on deposit at the place of payment on or prior to the redemption date.

The Registered Owner of this 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 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 Issuer 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 Issuer to exist, to have happened and to be performed prior to the issuance of this Series 2023 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 2023 Bonds, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation applicable to the Issuer; and that the revenues pledged to the payment of the principal of and interest on the Series 2023 Bonds, as the same become due, are designed to be sufficient in amount for that purpose.

This 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 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 or Assistant Secretary.

(SEAL)

MISSISSIPPI DEVELOPMENT BANK

By _____
Executive Director

ATTEST:

By _____
Secretary

CERTIFICATE OF AUTHENTICATION

This Series 2023 Bond is one of the Series 2023 Bond issued and delivered pursuant to the provisions of the within mentioned Indenture.

THE PEOPLES BANK, as Trustee

By _____
Authorized Signatory

Date of Authentication: __, 2023

VALIDATION CERTIFICATE

STATE OF MISSISSIPPI

COUNTY OF HINDS

The undersigned Secretary of the Mississippi Development Bank does hereby certify that the within 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 _____, 2023.

(SEAL)

Secretary

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

Dated: _____

[END OF SERIES 2023 BOND FORM]

SECTION 2.07. Book-Entry Only System. The Series 2023 Bonds shall be initially issued in the form of a separate single fully registered Series 2023 Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Series 2023 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 2023 Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC. With respect to Series 2023 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 2023 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 2023 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 2023 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 2023 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 2023 Bond is registered in the Bond Register as the absolute owner of such Series 2023 Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Series 2023 Bond, for the purpose of giving notices and other matters with respect to such Series 2023 Bond, for the purpose of registering transfers with respect to such Series 2023 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 2023 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 2023 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 2023 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

SECTION 2.08. Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that 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 2023 Bonds that they be able to obtain certificated Series 2023 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 2023 Bond certificates to such successor securities depository or (b) notify DTC and DTC Participants of the availability through DTC of Series 2023 Bond certificates and transfer one or more separate Series 2023 Bond certificates to DTC Participants having Series 2023 Bonds credited to their DTC accounts. In such event, the Series 2023 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 2023 Bonds shall designate, in accordance with the provisions of this Indenture.

SECTION 2.09. Payments. Notwithstanding any other provision of this Indenture to the contrary, so long as any of the Series 2023 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 2023 Bond and all notices with respect to such Series 2023 Bond 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 III.

GENERAL TERMS AND PROVISIONS OF BONDS

SECTION 3.01. 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. The Issuer may provide for the payment of interest on Bonds to holders of \$100,000 or more in aggregate principal amount of Bonds at the written direction of such holders delivered to the Trustee at least one Business Day prior to the Record Date by wire transfer or by deposit into the account of the Registered Owner if such account is maintained by the Trustee. Principal shall be payable at the Principal Office of the Trustee upon presentation of the Bonds to be paid. No presentation or surrender shall be required for any mandatory sinking fund redemption or partial optional redemption of the Bonds.

SECTION 3.02. 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 Issuer prior to the delivery thereof.

SECTION 3.03. Execution. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of its Executive Director, President or Vice President and shall have impressed or imprinted thereon, by facsimile or otherwise, the official seal of the Issuer, which seal shall be attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Issuer. In case any officer of the Issuer 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 Issuer by such officer as at the time of the execution of such Bonds shall be duly authorized or hold the proper office of the Issuer 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.

SECTION 3.04. 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 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.

The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by the Trustee 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.

SECTION 3.05. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, the Issuer 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; provided that in the case of any mutilated Bond, it 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 security and/or indemnity satisfactory to it. In the event 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 security and/or 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 3.05 shall be deemed part of the original series of the Bonds in respect of which it was issued and a contractual obligation of the Issuer replacing the obligation evidenced by such mutilated, lost, stolen or destroyed Bond.

SECTION 3.06. Registration, Transfer and Exchange of Bonds; Persons Treated as Owners. The Issuer 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 Issuer for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said records may be inspected and prepared by the Issuer or by Registered 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 such Registered Owner's attorney duly authorized in writing, the Issuer 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 Trustee shall not be required to (a) register, transfer or exchange any Bond during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bond, or (b) to register, transfer or exchange any Bond 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, premium, if any, and interest thereon, shall be made only to or upon the order of the Registered Owner thereof or such Registered Owner's 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 Issuer, 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.

SECTION 3.07. Destruction of Bonds. Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Indenture or upon payment of the principal, premium, if any, or interest represented thereby or for replacement pursuant to Section 3.05 hereof, 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 Issuer.

SECTION 3.08. Nonpresentment of Bonds. In the event any Bond shall not be presented for payment (if required in this Indenture) when the principal thereof comes due, either at maturity or at the date fixed for redemption thereof, or otherwise, if funds sufficient to pay such Bond shall have been made available to the Trustee for the benefit of the owner thereof, all liability of the Issuer to the 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 owner of such Bond, without liability for interest thereon to such 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 Issuer and thereafter the Bondholders shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid, and the Issuer shall not be liable for any interest thereon to the Bondholders and shall not be regarded as a trustee of such money.

SECTION 3.09. Other Obligations Payable from Revenues. The Issuer 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.

SECTION 3.10. Temporary Bonds. Until the definitive Bonds are ready for delivery, the Issuer may execute, in the same manner as is provided in Section 3.03, and, upon the request of the Issuer, 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 \$5,000 or any integral multiples thereof authorized by the Bank, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer 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 Issuer shall authorize the issuance of temporary Bonds in more than one denomination, the owner of any temporary Bond or Bonds may, at such owner's 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 Issuer 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 3.06, 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 for either another temporary Bond or Bonds or a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

SECTION 3.11. Limitations on Obligations of the Issuer. The Series 2023 Bonds, together with interest thereon, shall be limited obligations of the Issuer but payable solely from 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 Series 2023 Bonds and shall be used for no other purpose than the payment of the Series 2023 Bonds, except as may be otherwise expressly authorized in this Indenture. The Series 2023 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, credit and taxing power of the City derived or to be derived from City Bond Payments made in respect of the City Bond pursuant to the City Bond Resolution. The issuance of the Series 2023 Bonds under the provisions of the Act does not directly, indirectly or contingently, obligate the State or any political subdivision thereof to levy any form of taxation for the payment thereof or to make any appropriation for their payment and such Series 2023 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 is a general obligation of the City. Neither the State nor any agent, attorney, member or employee of the State or of the Issuer, shall in any event be liable for the payment of the principal of, and premium, if any, or interest on the Series 2023 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 Issuer. No breach by the Issuer 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 Issuer'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.

SECTION 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 Issuer or any officer, member, director, trustee, agent or

employee of any successor entities thereto, as such, either directly or through the Issuer 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 IV.

REDEMPTION OF SERIES 2023 BONDS PRIOR TO MATURITY

SECTION 4.01. Redemption and Redemption Prices and Terms for Series 2023 Bonds.

In accordance with Section 11(c) of the City Bond Resolution, the Issuer agrees to accept redemption and redeem the Series 2023 Bonds prior to their respective maturities in the following instances:

(a) Optional Redemption. The Series 2023 Bonds (or any portions thereof in integral multiples of \$5,000 each) maturing on or after March 1, 20__, are subject to redemption in whole or in part, in principal amounts and maturities selected by the Bank on any date on or after March 1, 20__, at par, plus accrued interest to the date of redemption. Under the Indenture, selection of the Series 2023 Bonds to be redeemed within a maturity will be made by lot by the Trustee. 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 Bonds are in book-entry form.

(b) Mandatory Sinking Fund Redemption.

The Series 2023 Bonds maturing March 1, 20__ in the principal amount of \$_____ are subject to mandatory sinking fund redemption, prior to their scheduled maturity on March 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:

<u>Year</u>	<u>Principal Amount</u>
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* Final Maturity

The Series 2023 Bonds maturing March 1, 20__ in the principal amount of \$_____ are subject to mandatory sinking fund redemption, prior to their scheduled maturity on March 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:

<u>Year</u>	<u>Principal Amount</u>
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* Final Maturity

SECTION 4.02. Redemption at the Election or Direction of the Issuer. In the case of the optional redemption of the Series 2023 Bonds, the Issuer shall give written notice to the Trustee of its direction so to redeem, of the redemption date, of the principal amount of the Series 2023 Bonds to be redeemed (which maturities and principal amounts, including mandatory sinking fund redemption amounts, thereof to be redeemed shall be determined and selected by the Issuer 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 at least thirty (30) but not more than forty-five (45) days prior to the redemption date or such shorter period as shall be acceptable to the Trustee and the Registered Owner of the Series 2023 Bonds and may be conditioned upon receipt of sufficient funds to redeem the Series 2023 Bonds called for redemption on the redemption date. The Issuer shall pay 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 interest accrued to the redemption date, all of the Series 2023 Bonds to be redeemed. If the Series 2023 Bond or any portion thereof (in the case of a mandatory sinking fund redemption) has been called for redemption, the principal amount redeemed will cease to bear interest on the specified redemption date, shall no longer be secured hereunder and shall not be deemed to be Outstanding hereunder, provided funds for the redemption thereof are on deposit at the place of payment on or prior to the redemption date. Notice of mandatory sinking fund redemption is not required.

SECTION 4.03. Selection of Series 2023 Bonds to be Redeemed.

If less than all of the Series 2023 Bonds are to be redeemed, the Series 2023 Bonds shall be redeemed only in whole multiples of \$5,000. For purposes of redemption, each \$5,000 of principal shall be considered as a Series 2023 Bond. If less than all of the Series 2023 Bonds shall be called for redemption, the principal amount and maturity of the Series 2023 Bonds to be redeemed shall be selected by the Bank and the Trustee shall select the particular Series 2023 Bonds to be redeemed by lot within a maturity in such manner as the Trustee may determine.

SECTION 4.04. Redemption Payments. The Trustee is hereby authorized and directed to apply funds deposited with the Trustee by the Issuer in an amount sufficient to pay the Redemption Price of the Series 2023 Bonds or portions thereof called for redemption, together with accrued interest thereon to the redemption date. If proper notice of optional redemption by mailing has been given as provided in Section 4.05 hereof and sufficient funds for redemption shall be on deposit with the Trustee as aforesaid, interest on the Series 2023 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 the Series 2023 Bond or portion thereof called for redemption until the Series 2023 Bond or portion thereof shall have been delivered for payment or cancellation or the Trustee shall have received the items required by Section 3.05 hereof with respect to any mutilated, lost, stolen or destroyed Series 2023 Bond.

SECTION 4.05. Notice of Redemption. Notice of the call for any optional redemption, identifying the portion of the Series 2023 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 (or such shorter period agreed to by the Registered Owner) but not more than forty-five (45) days prior to the date fixed for redemption to the Registered Owner of the Series 2023 Bond to be redeemed at the address shown on the Bond Register. No notice of redemption shall be required to be given in connection with mandatory sinking fund redemptions of Bonds.

SECTION 4.06. Cancellation. All Series 2023 Bonds which have been redeemed shall not be reissued but shall be canceled and destroyed by the Trustee in accordance with Section 3.07 hereof.

ARTICLE V.

GENERAL COVENANTS

SECTION 5.01. Payment of Debt Service. The Issuer covenants and agrees that it will promptly pay the principal of, Redemption Price 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 Issuer solely from Revenues and any other funds or assets constituting the Trust Estate herein pledged to the Trustee as security by the Issuer to the extent of that pledge.

SECTION 5.02. Performance of Covenants. The Issuer covenants and agrees that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining thereto. The Issuer 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 possession of the owners thereof are and will be valid and enforceable limited obligations of the Issuer according to the terms thereof and hereof.

SECTION 5.03. Instruments of Further Assurance. The Issuer covenants and agrees that the Trustee may defend its rights to the payment of the Revenues for the benefit of the Registered Owner of the Bonds against the claims and demands of all persons whomsoever. The Issuer 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 interest on the Bonds.

SECTION 5.04. Covenants Concerning Program.

(a) In order to provide for the payment of the principal, Redemption Price and interest on the Series 2023 Bonds and Program Expenses, the Issuer 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 Series 2023 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 Issuer to protect its rights with respect to the City Bond and to enforce all terms, covenants and conditions of the City Bond including the collection, custody and prompt application of all City Bond 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 Series 2023 Bonds, the Issuer shall commence appropriate remedies with respect to the occurrence of any event of default in connection with the City Bond or any other bonds or obligations issued by the City pursuant to a resolution of the City and as authorized by a supplemental bond resolution.

SECTION 5.05. 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 Issuer 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 Issuer or the Trustee may from time to time designate.

SECTION 5.06. Accounts and Reports. The Issuer 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 in regard to the Bonds, the City Bond and the Funds and Accounts. Such records, and all other records and papers of the Issuer, and such Funds and Accounts shall at all reasonable times be subject to the inspection of the Trustee and the Registered Owners of an aggregate of not less than five percent (5%) in principal amount of the Series 2023 Bonds then Outstanding or their representatives duly authorized in writing.

The Trustee covenants and agrees, if requested, to provide to the Issuer prior to the twentieth (20th) day of the month following the end of each six-month period, commencing with the period ending September 1, 2024, 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 Registered Owners of an aggregate of not less than five percent (5%) in principal amount of the Series 2023 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 Registered Owner.

SECTION 5.07. Issuer Covenants with Respect to the City Bond.

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

(b) The Issuer covenants and agrees that it will enforce or authorize the enforcement of all remedies available to the owner or holder 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 X hereof.

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

SECTION 5.08. Monitoring Investments. The Issuer 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.

SECTION 5.09. Covenants Concerning Preservation of Tax Exemption. The Issuer hereby covenants and agrees to take all qualifying actions and shall take any qualifying actions that are necessary in order to protect and preserve the exclusion from gross income for federal income tax purposes of the interest on the Series 2023 Bonds. For this purpose, the Issuer shall approve and deliver to the Trustee a certificate concerning the provisions of the Code necessary to protect and preserve such exclusion. Such certificate may only be amended from time to time upon the receipt by the Trustee of an Opinion of Bond Counsel to the effect that compliance by the Issuer with the certificate will not adversely affect the exclusion of interest on the Series 2023 Bonds from gross income of the Registered Owner thereof for federal income tax purposes.

ARTICLE VI.

REVENUES AND FUNDS

SECTION 6.01. Source of Payment of Bonds. The Bonds and all payments by the Issuer hereunder are limited obligations of the Issuer 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.

SECTION 6.02. Creation of Funds. There are hereby created by the Issuer and ordered established the General Fund and the Rebate Fund to be held by the Trustee. There are hereby created and established in the General Fund a “General Account,” a “Bond Issuance Expense Account,” a “Redemption Account” and a “Purchase Account.” The Trustee is authorized to establish and maintain hereunder such additional Funds, Accounts or subaccounts from time to time to the extent that in the judgment of the Trustee the establishment of such Fund, Account or subaccount is not to the material prejudice of the Trustee or the Bondholders.

SECTION 6.03. Deposit of Net Proceeds of Bonds. The Trustee shall deposit the proceeds from the sale of the Series 2023 Bonds in the manner provided in Section 2.02 hereof.

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

SECTION 6.04. Deposit of Revenues and Other Receipts. Upon receipt of any Revenues or other receipts (except the proceeds of the Series 2023 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.

SECTION 6.05. Operation of General Account. The Trustee shall deposit in the General Account of the General Fund all amounts received for payment of principal and interest on the Series 2023 Bonds and required to be deposited therein pursuant to the provisions of this Article VI.

The Trustee shall invest funds in the General Account in accordance with Article VIII 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 each Interest Payment Date, to the Registered Owners such amount (including Investment Securities held by the Trustee maturing or callable on or before the Interest Payment Date) as shall be necessary to pay the principal and interest coming due on the Series 2023 Bonds on such Interest Payment Date;

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

(c) On or before thirty (30) days after each anniversary of the issuance of the Series 2023 Bonds, the amounts, if any, to be transferred to the Rebate Fund as provided in the Arbitrage Rebate Agreement; 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 cash in the succeeding twelve (12) months and shall transfer all moneys in the General Account which, together with such expected receipts for the succeeding twelve (12) months are in excess of the amounts needed to pay principal and interest on the Series 2023 Bonds within the immediately succeeding twelve month period, to the City at the request of the City with the prior written approval of the Issuer.

SECTION 6.06. Operation of the Redemption Account. The Trustee shall deposit in the Redemption Account all monies received upon the sale or redemption prior to maturity of the City Bond and all other monies required to be deposited therein pursuant to the provisions of Article IV and Article VI hereof, shall invest such funds pursuant to Article VIII hereof and shall disburse the funds held in the Redemption Account to redeem Series 2023 Bonds. Such redemption shall be made pursuant to a redemption under the provisions of Article IV hereof.

SECTION 6.07. 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 2.02 and Article VI hereof, shall invest such funds pursuant to Article VIII hereof, and shall disburse the funds held in the Purchase Account to purchase the City Bond in accordance with the procedures established by the Issuer as set forth in Article VII hereof upon the submission of a written requisition of the Issuer 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 transmit such funds to the City as provided in Section 7.02 hereof. Upon receipt of such funds, the City will provide for the deposit thereof in the 2023 Construction Fund of the City established under the City Bond Resolution, which fund will be used by the City to finance the City Project. Any amounts remaining in the Purchase Account after the purchase of the City Bond shall be transferred to the General Account.

SECTION 6.08. 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 2.02 of this Indenture, shall invest such funds pursuant to Article VIII 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 an officer of the City and an Authorized Officer, to pay the Costs of Issuance of the Series 2023 Bonds and the City Bond or to reimburse the Issuer or the City for amounts previously advanced for such costs; and

(b) On the date that is sixty (60) days after the date of issuance of the Series 2023 Bonds, any funds remaining in the Bond Issuance Expense Account shall be transferred to the General Account.

SECTION 6.09. Operation of the Rebate Fund.

(a) The Trustee is authorized to establish and maintain, so long as any Series 2023 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 2023 Bonds and investments hereunder available to the Issuer and shall make deposits and disbursements from the Rebate Fund in accordance with the Arbitrage Rebate Agreement and Section 8.02 hereof, shall invest the Rebate Fund as directed by the Issuer and shall deposit income from such investments immediately upon receipt thereof in the Rebate Fund. Anything in this Indenture to the contrary notwithstanding, the provisions of this Section may be superseded or amended by an amended Arbitrage Rebate Agreement and accompanied by an Opinion of Bond Counsel addressed to the Trustee to the effect that the provisions of the amended Arbitrage Rebate Agreement will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2023 Bonds.

(b) If a deposit to the Rebate Fund is required as a result of the computations made by or on behalf of the Issuer pursuant to the Arbitrage Rebate Agreement, the Trustee shall, upon receipt of direction from the Issuer, accept such payment for the benefit of the Issuer 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 Issuer, transfer such amount to the General Account. Records of the determinations required by this Section and the Arbitrage Rebate Agreement and the investment instructions must be retained by the Trustee until six (6) years after the Series 2023 Bonds are no longer Outstanding.

(c) Not later than sixty (60) days following March __, 2028, and every five (5) years thereafter, the Trustee shall, upon written request of the Issuer in accordance with the Arbitrage Rebate Agreement, pay to the United States of America one hundred percent (100%) of the amount required to be on deposit in the Rebate Fund as of such payment date provided that direction from the Issuer for transfer of such amount to the Rebate Fund has been previously received by the Trustee pursuant to the provisions of Section 6.09(b), and further provided that funds were available in the General Account to fund one hundred percent (100%) of the amount required to be on deposit in the Rebate Fund as of such payment date. Not later than sixty (60) days after the final retirement of the Series 2023 Bonds, the Trustee shall upon written request of the Issuer, pay to the United States of America one hundred percent (100%) of the amount owing to the United States of America. Each payment required to be paid to the United States of America pursuant to this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201. Each payment shall be accompanied by a copy of the Form 8038-G originally filed with respect to the Series 2023 Bonds and a statement of the Issuer summarizing the determination of the amount to be paid to the United States of America.

SECTION 6.10. 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 for moneys deposited with or paid to the Trustee for the redemption of

Bonds, notice of the redemption of which has been duly given, and 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 Issuer.

SECTION 6.11. 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 Issuer which shall be paid to such party and except as provided in Section 3.08 hereof.

SECTION 6.12. Certain Verifications. The Issuer 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 Issuer and the Trustee with such information as the Issuer or the Trustee may request in order to determine in a manner reasonably satisfactory to the Issuer 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 Bonds as the same may relate to any data or conclusions necessary to verify that the 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 Issuer and/or the Trustee; and (d) the rebate calculation required by Section 6.09 hereof. The Issuer 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 to be paid by the City.

ARTICLE VII.

PURCHASE OF CITY BOND

SECTION 7.01. Terms and Conditions of Purchase. The City Bond purchased by the Issuer shall be purchased on the terms and conditions of, and upon submission of the documents required by this Article VII.

SECTION 7.02. Purchase. The Trustee shall pay the purchase price of the City Bond upon receipt by the Trustee of:

(a) a written requisition of the Issuer signed by an Authorized Officer stating to whom payment from the Purchase Account is to be made for and on behalf of the City and the amount to be paid;

(b) a certificate signed by an Authorized Officer attached to the requisition and certifying that the City, pursuant to the City Bond Purchase Agreement, has sold or will sell the City Bond to the Issuer and is obligated to make City Bond Payments and to pay all fees and charges required to be paid to the Issuer 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 Issuer or the Trustee;

(d) the opinions of Counsel for the City, which may be Bond Counsel, in form satisfactory to the Issuer 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 Issuer and delivered in accordance with the Act;

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

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

(h) an executed Arbitrage Rebate Agreement.

Upon receipt of the documents enumerated above, the Trustee shall pay such amount directly to the entity entitled thereto as named in the requisition described in Section 7.02(a) above.

SECTION 7.03. Retention and Inspection of Documents. The City Bond and all documents received by the Trustee as required in this Article as a condition 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 Issuer and, after written request received by the Trustee at least five (5) Business Days prior to the date of inspection, by any Registered Owner of at least five percent (5%) in principal amount of Outstanding Bonds.

SECTION 7.04. Report. Within sixty (60) days after the delivery of the Series 2023 Bonds, the Trustee shall file a written report with the Issuer, if requested, and the City covering all receipts and all disbursements made pursuant to the provisions of this Article VII in respect of the net proceeds of the Series 2023 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 Series 2023 Bonds deposited in the Purchase Account shall have been expended.

ARTICLE VIII.

INVESTMENT OF MONEYS

SECTION 8.01. General Provisions.

(a) Any moneys held as part of any Fund or Account created under or pursuant to Article VI hereof 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 in writing by the Issuer. 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 VI, 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 bond department or through the bond department of any financial institution that 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. 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 8.01, 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 that 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. All investment income from the assets held in any Fund or Account, except for the Rebate Fund and any Accounts created thereunder, will be added to the General Account.

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

SECTION 8.02. 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.

SECTION 8.03. Arbitrage Restrictions; Series 2023 Bonds to Remain Tax Exempt.

(a) The Issuer shall provide the Trustee with the Arbitrage Rebate Agreement which shall govern the investment of the Funds and Accounts and the application of Section 6.09 hereof.

(b) Without limiting subsection (b) of Section 8.01 hereof, the Issuer further 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 the Series 2023 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 the Series 2023 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 the Series 2023 Bonds arbitrage bonds within the meaning of such term as used in Section 148 of the Code. The Issuer further agrees that it will not act in any other manner that would adversely affect the exclusion from gross income tax for federal income tax purposes of the interest on the Series 2023 Bonds.

ARTICLE IX.

DISCHARGE OF INDENTURE

SECTION 9.01. Discharge of Indenture.

(a) Except as provided in this Article IX, if payment or provision for payment is made to the Trustee, of the principal of, premium, if any, 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 Issuer such instruments in writing as shall be requisite to cancel and discharge the lien hereof, and release, assign and deliver unto the Issuer 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, premium, if any, and interest on the Bonds.

(b) Any Bond shall be deemed to be paid within the meaning of this Indenture when (i) 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 herein or otherwise), either (A) shall have been made or caused to have been made in accordance with the terms thereof, or (B) shall have been provided for by irrevocably depositing with the Trustee or other financial institution (which must meet the requirements of Section 11.07 hereof) which provides services as escrow agent for the Issuer (for purposes of this Article, an “**Escrow Agent**”), in trust and exclusively for such payment, (1) moneys sufficient to make such payment or (2) 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 (3) a combination of such moneys and Governmental Obligations, and (ii) 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 Arbitrage Rebate Agreement and Section 6.09 hereof, with respect to which such deposit is made shall have been paid or deposited with the Trustee.

(c) Notwithstanding the foregoing, in the case of Bonds which by their terms may be optionally 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 Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions: (i) 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); (ii) to timely call for redemption pursuant to this Indenture any Bond to be redeemed prior to maturity pursuant to clause (i) of this paragraph; and (iii) to timely mail, in the manner prescribed by Article IV hereof, a notice to the owners of such Bonds satisfying the requirements thereof.

(d) Any monies so deposited with the Trustee or the Escrow Agent as provided in this Article may at the direction of the Issuer 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 possession 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 monies shall have been so deposited, shall be deposited in the General Account, as and when and collected for use and application as are other monies deposited in such General Account.

(e) With respect to the Series 2023 Bonds, no such deposit under this Article shall be made or accepted hereunder and no use shall be made of any such deposit unless the Trustee shall have received an Opinion of Bond Counsel to the effect that such deposit and use would not cause the Series 2023 Bonds to be treated as arbitrage bonds within the meaning of Section 148 of the Code or adversely affect for federal income tax purposes the excludability from gross income of the interest on the Series 2023 Bonds. Moreover, no such deposit shall be deemed a payment of Bonds unless the Trustee shall have received a verification from an accountant or firm of accountants appointed by the Issuer and acceptable to the Trustee verifying the sufficiency of the deposit to pay the principal of, premium, if any, and interest on the Bonds to the due date, whether such due date be by reason of maturity or upon redemption. Provided, however, such verification from an accountant or firm of accountants appointed by the Issuer and acceptable to the Trustee will not be required if the deposit made with the Trustee represents 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. If requested by the Trustee, the Issuer will provide proof in a form acceptable to the Trustee of the sufficiency of the cash funds deposited as stated in the preceding sentence.

(f) 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, if any, set aside for rebate to the United States of America in accordance with the Arbitrage Rebate Agreement and Section 6.09 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.

(g) 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 herein 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 Issuer 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 X.

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

SECTION 10.01. 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 of any Bond whether at the stated maturity thereof or on any date fixed for redemption, principal payment or other acceleration prior to maturity; or
- (c) Failure of the Issuer 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 Issuer 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 Issuer 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 hereof; or
- (f) A petition is filed against the Issuer 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 Issuer 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 Issuer 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 Issuer 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 sixty (60) days; or
- (i) Default in the due and punctual payment of any interest or principal on the City Bond; or
- (j) There is a default under the City Bond and/or the City Bond Resolution; or

(k) The City shall be dissolved; or

(l) Any representation or certification made by the City in the City Bond Resolution or the City Bond, or by an officer of the City or any other authorized City representative in any document or certificate furnished in connection with the City Bond Resolution or the City Bond shall prove at any time to be, in any material respect, incorrect or misleading as of the date made; or

(m) There is a petition filed, declaration or proceeding in bankruptcy or other insolvency, reorganization, arrangement, moratorium, readjustment of debt, or liquidation regarding the City; or

(n) The City 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 State or the City 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 sixty (60) days.

SECTION 10.02. Remedies; Rights of Bondholders. Upon the occurrence of an Event of Default, the Trustee shall in its discretion, except for Events of Default under Section 10.01(a), (b), (i) and (j), 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 Issuer or the Trustee under the City Bond, including, but not limited to, acceleration thereof.

(b) The Trustee may by action or suit in equity require the Issuer 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 Issuer and the City.

Upon the occurrence of an Event of Default, (i) 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 (ii) if secured and/or indemnified as provided in Section 11.01(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.

SECTION 10.03. Rights of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, the Registered 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 and of this Indenture including Section 11.01(k) hereof.

SECTION 10.04. 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.

SECTION 10.05. 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 of any amount owed to the United States of America under the Arbitrage Rebate Agreement;

SECOND - 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;

THIRD - 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; and

FOURTH - 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 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 VI hereof.

SECTION 10.06. 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.

SECTION 10.07. 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 Registered 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 Registered Owners of Bonds have offered to the Trustee security and/or indemnity as provided in Section 11.01(k) hereof, and (d) the Trustee has refused or for sixty (60) days after receipt of such request and offer of security and/or 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 security and/or 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 Issuer 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.

SECTION 10.08. Termination of Proceedings. In case 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 Issuer, 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.

SECTION 10.09. 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 Registered 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. 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 Issuer, 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.

SECTION 10.10. Notice of Defaults under Section 10.01(d) or (e); Opportunity of the Issuer to Cure Such Defaults.

(a) Anything herein to the contrary notwithstanding, no Default under Section 10.01(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 Issuer by the Trustee or the Registered Owners of not less than twenty-five percent (25%) in aggregate principal amount of all Bonds then Outstanding and the Issuer 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 Issuer 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.

(b) With regard to any alleged Default concerning which notice is given to the Issuer under the provisions of this Section, the Issuer hereby grants to the Trustee full authority for the account of the Issuer 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 Issuer with full power to do any and all things and acts to the same extent that the Issuer could do and perform any such things and acts and with power of substitution.

ARTICLE XI.

TRUSTEE

SECTION 11.01. 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 its 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. In case 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 Issuer), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or 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 3.04 hereof, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not the Trustee and 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 Issuer. Any action taken by the Trustee pursuant to this Indenture upon the request of the Issuer 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 at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of an Authorized Officer of the Issuer to the effect that a resolution in the form therein set forth has been adopted by the Issuer 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 such other than for 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 Issuer 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 Issuer to the authentication of any Bond, the withdrawal of any cash or the taking of any other action by the Trustee.

(k) Before taking any action referred to in Section 10.02, 10.03 or 10.07 hereof, the Trustee may require that a satisfactory indemnity bond and/or other security 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.

(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 in writing.

(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, premium, if any, or interest on any of the Bonds.

SECTION 11.02. 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 hereinabove 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.

SECTION 11.03. Intervention by the Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its Counsel has a substantial bearing on the interests of the owners of the Bonds, the Trustee may intervene on behalf of the Bondholders, and shall do so if requested in writing by the Registered Owners of at least twenty-five percent (25%) of the aggregate principal amount of Bonds then Outstanding upon receiving security and/or indemnification satisfactory to the Trustee.

SECTION 11.04. 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 Issuer may object to such corporation or association becoming successor Trustee by filing written notice of such objection with the Trustee and by mailing such notice to each Bondholder whereupon a successor or temporary Trustee shall be appointed in accordance with Section 11.07 hereof.

SECTION 11.05. 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 Issuer, the City 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 11.07 and acceptance of such appointment by the successor Trustee. Notwithstanding any other provision of this Indenture, no removal, resignation or termination of the Trustee shall take effect until a successor acceptable to the Issuer and the City shall be appointed. Provided, however, in the event that a successor Trustee is not so appointed within said thirty (30) day period or the Issuer and City cannot agree on a suitable successor Trustee, the Trustee may, but shall not be required to, petition a court of competent jurisdiction to appoint a successor Trustee.

SECTION 11.06. 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 Issuer and signed by (a) the City, or (b) the Registered 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 11.05 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 Issuer or the City with such written action to be filed with the Trustee and written notification of such action to be sent to the owner of each Bond as shown by the Bond Register.

SECTION 11.07. Appointment of Successor Trustee by the Bondholders; Temporary Trustee. In case 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 in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor 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 Issuer and the City. Nevertheless, in case of such vacancy, the Issuer 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 Issuer 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 11.05 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 having its principal place of business in the United States of America duly authorized to exercise trust powers and 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.

SECTION 11.08. Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer and the City 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 Issuer or the City, after the payment of all fees, charges and expenses which may be due and owing to such predecessor pursuant to the provisions of Section 11.02 hereof, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities, moneys and other property or documents held by it as Trustee hereunder to its successor hereunder. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or

instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed or recorded by the successor Trustee in each recording office where this Indenture shall have been filed or recorded.

SECTION 11.09. Indemnification. The Issuer, will, to the fullest extent permitted by law, protect, indemnify and save the Trustee and its respective officers, board members, 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 resulting from its gross negligence or willful misconduct;

(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 Issuer 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 security and/or indemnity may be sought against the Issuer under this Section, the Trustee will notify the Issuer in writing of the commencement thereof, and, subject to the provisions hereinafter stated, the Issuer 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 security and/or indemnity may be sought against the Issuer, 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 Issuer unless the employment of such Counsel has been specifically authorized by the Issuer. The Issuer shall not be liable to indemnify any person for any settlement of any such action effected without its consent.

The provisions of this Section 11.09 shall survive the payment and discharge of the City Bond and the Bonds.

SECTION 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 XII.

SUPPLEMENTAL INDENTURES

SECTION 12.01. Supplemental Indentures not Requiring Consent of Bondholders.

The Issuer and the Trustee may, without the consent of, or notice to, any of the Bondholders, enter into 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 12.02 hereof;
- (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 required to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, to permit qualification of the Bonds for sale as exempt securities or in exempt transactions under the Securities Act, the Exchange Act or the securities laws of any state or to avoid registration under the Investment Company Act of 1940, as amended, or any similar federal statute hereafter in effect, or to permit compliance with the Code;
- (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;
- (f) To conform the text herein to any description or summary of this Indenture in any official statement or other offering document with respect to the Bonds or the City Bond to the extent that such description or summary was intended to be a verbatim recitation of a provision herein; and
- (g) In connection with the issuance of Refunding Bonds.

Notwithstanding the foregoing, consent of the Registered Owner of the Series 2023 Bonds shall be required in connection with any of the foregoing supplements except those described under subsection (f), which consent shall not be unreasonably withheld.

SECTION 12.02. Supplemental Indentures Requiring Consent of Bondholders.

Exclusive of Supplemental Indentures provided for by Section 12.01 hereof 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 Issuer), shall have the right, from time to time, anything

contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, 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 (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 Issuer 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 secured and/or 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 Issuer, 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 Issuer) shall have consented to and approved the execution of such Supplemental Indenture as provided in Section 13.01 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 Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

ARTICLE XIII.

MISCELLANEOUS

SECTION 13.01. Consents, etc. of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Bondholders may be in any number or concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent 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 maintained by the Trustee pursuant to Section 3.06 hereof.

SECTION 13.02. 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 suitable 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.

SECTION 13.03. Severability. If any provision of this Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

SECTION 13.04. 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 Issuer to the City, or the Underwriter shall also be given to the other. The Issuer, the City, 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.

SECTION 13.05. 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.

SECTION 13.06. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of interest on or principal of or the dated fixed for redemption of the Bonds shall be in the City of payment a Saturday, Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal may be made on the next Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption.

SECTION 13.07. 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.

SECTION 13.08. Receipt of Money or Revenues by Trustee. The Trustee is an authorized agent of the Issuer for purposes of receiving money and Revenues on behalf of the Issuer. It is not the intent of this Section 13.08, or any other Section of this Indenture, to create a power of attorney relationship between the Issuer and the Trustee.

SECTION 13.09. Applicable Provisions of Law. This Indenture shall be governed by and construed in accordance with the laws of the State.

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IN WITNESS WHEREOF, the Issuer has caused this Indenture to be executed on its behalf by its Executive Director 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 one of its duly authorized officers, all as of the day and year first above written.

MISSISSIPPI DEVELOPMENT BANK

By _____
Executive Director

ATTEST:

By _____
Secretary

THE PEOPLES BANK, as Trustee

By _____
Trust Officer

EXHIBIT A
FORM OF CITY BOND

[Form of City Bond to Be Inserted]