

INDENTURE OF TRUST

BY AND BETWEEN

MISSISSIPPI DEVELOPMENT BANK

AND

AS TRUSTEE

DATED MAY __, 2022

RELATING TO THE ISSUANCE OF

\$_____
MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BONDS, SERIES 2022
(PASCAGOULA , MISSISSIPPI CAPITAL IMPROVEMENTS PROJECT)

TABLE OF CONTENTS

	Page
ARTICLE I. DEFINITIONS AND RULES OF INTERPRETATION	3
SECTION 1.01. Definitions.....	3
SECTION 1.02. Rules of Interpretation.....	13
ARTICLE II. AUTHORIZATION AND ISSUANCE OF BONDS	14
SECTION 2.01. Authorization and Issuance of Series 2022 Bonds.....	14
SECTION 2.02. Purpose and Disposition of Series 2022 Bonds.....	14
SECTION 2.03. General Description of the Series 2022 Bonds.....	14
SECTION 2.04. Provisions for Issuance of Bonds.....	15
SECTION 2.05. Provisions for Issuance of Refunding Bonds.....	16
SECTION 2.06. Form of Bonds.....	17
SECTION 2.07. RESERVED.....	26
SECTION 2.08. RESERVED.....	26
SECTION 2.09. RESERVED.....	26
ARTICLE III. GENERAL TERMS AND PROVISIONS OF BONDS	27
SECTION 3.01. Medium, Form and Place of Payment.....	27
SECTION 3.02. Legends.....	27
SECTION 3.03. Execution.....	27
SECTION 3.04. Authentication.....	27
SECTION 3.05. Mutilated, Lost, Stolen or Destroyed Bonds.....	28
SECTION 3.06. Registration, Transfer and Exchange of Bonds; Persons Treated as Owners.....	28
SECTION 3.07. Destruction of Bonds.....	29
SECTION 3.08. Nonpresentment of Bonds.....	29
SECTION 3.09. Other Obligations Payable from Revenues.....	30
SECTION 3.10. Temporary Bonds.....	30
SECTION 3.11. Limitations on Obligations of Bank.....	30
SECTION 3.12. Immunity of Officers and Directors.....	31
ARTICLE IV. REDEMPTION OF BONDS PRIOR TO MATURITY	32
SECTION 4.01. Privilege of Redemption and Redemption Prices.....	32
SECTION 4.02. RESERVED.....	33
SECTION 4.03. Redemption Payments.....	33
SECTION 4.04. Notice of Redemption.....	33
SECTION 4.05. Cancellation.....	33
ARTICLE V. GENERAL COVENANTS	34
SECTION 5.01. Payments of Principal and Interest.....	34
SECTION 5.02. Performance of Covenants by the Bank.....	34
SECTION 5.03. Instruments of Further Assurance.....	34
SECTION 5.04. Covenants Concerning Program.....	34
SECTION 5.05. Possession and Inspection of Note and Loan Agreement.....	35
SECTION 5.06. Accounts and Reports.....	35
SECTION 5.07. Bank Covenants with Respect to Note and Loan Agreement.....	35
SECTION 5.08. Monitoring Investment.....	36
SECTION 5.09. Agreement Withholding City Monies to Satisfy Delinquent Payments.....	36

SECTION 5.10. 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 Loan Account.....	38
SECTION 6.08. Operation of Bond Issuance Expense Account.....	38
SECTION 6.09. Operation of the Rebate Fund.....	38
SECTION 6.10. Monies to be Held in Trust.....	40
SECTION 6.11. Amounts Remaining in Funds or Accounts.....	40
SECTION 6.12. Certain Verifications.....	40
ARTICLE VII. LOAN SECURED BY NOTE	41
SECTION 7.01. Terms and Conditions of Loan.....	41
SECTION 7.02. Loan.....	41
SECTION 7.03. Retention and Inspection of Documents.....	42
SECTION 7.04. Report.....	42
ARTICLE VIII. INVESTMENT OF MONIES	43
SECTION 8.01. General Provisions.....	43
SECTION 8.02. Arbitrage Restrictions; Bonds to Remain Tax Exempt.....	44
ARTICLE IX. 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 Monies.....	50
SECTION 10.06. Remedies Vested in the Trustee.....	51
SECTION 10.07. Rights and Remedies of Bondholders.....	51
SECTION 10.08. Termination of Proceedings.....	52
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 Bank to Cure Such Defaults.	53
ARTICLE XI. TRUSTEE	54
SECTION 11.01. Acceptance of the Trusts.....	54
SECTION 11.02. Fees, Charges and Expenses of the Trustee.....	56
SECTION 11.03. Intervention by the Trustee.....	56
SECTION 11.04. Successor Trustee.....	56
SECTION 11.05. Resignation by the Trustee.....	56
SECTION 11.06. Removal of the Trustee.....	56
SECTION 11.07. Appointment of Successor Trustee by the Bondholders; Temporary Trustee.....	57

SECTION 11.08. Concerning Any Successor Trustee.....	57
SECTION 11.09. Successor Trustee as Trustee of Funds, Paying Agent and Registrar.....	58
ARTICLE XII. SUPPLEMENTAL INDENTURES	59
SECTION 12.01. Supplemental Indentures not Requiring Consent of Bondholders.....	59
SECTION 12.02. Supplemental Indentures Requiring Consent of Bondholders.....	59
ARTICLE XIII. Reserved	61
ARTICLE XIV. MISCELLANEOUS	61
SECTION 14.01. Consents etc. of Bondholders.....	61
SECTION 14.02. Limitation of Rights.....	61
SECTION 14.03. Severability.....	61
SECTION 14.04. Notices.....	61
SECTION 14.05. Trustee as Paying Agent and Registrar.....	62
SECTION 14.06. Payments Due on Saturdays, Sundays and Holidays.....	62
SECTION 14.07. Counterparts.....	62
SECTION 14.08. Receipt of Money or Revenues by Trustee.....	62
SECTION 14.09. Applicable Provisions of Law.....	62

INDENTURE OF TRUST

THIS INDENTURE OF TRUST, dated May __, 2022, is by and between the **MISSISSIPPI DEVELOPMENT BANK**, a public body corporate and politic of the State of Mississippi (the "**State**"), exercising essential public functions (the "**Bank**"), organized under the provisions of Sections 31-25-1 et seq., Mississippi Code of 1972, as from time to time amended (the "**Bank Act**"), and _____, a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein with its designated corporate trust office located in _____, Mississippi, as Trustee (the "**Trustee**").

WITNESSETH:

WHEREAS, the Bank is authorized and empowered by the provisions of the Bank Act to issue bonds for the purpose of entering into loan agreements with Local Governmental Units (as defined herein and in the Bank Act); and

WHEREAS, the execution and delivery of this Indenture of Trust (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 Bank.

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

The Bank, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds (as defined herein) 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) premium, if any, and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Bank of all covenants expressed or implied herein and in the Bonds, does hereby grant, transfer, bargain, sell, convey, mortgage, assign and pledge, and grant a security interest in the rights, interests, properties, monies and other assets described in the following Granting Clauses to the Trustee and its successors in trust and assigns forever, for the securing of the performance of the obligations of the Bank hereinafter set forth, such grant, transfer, bargaining, sale, conveyance, mortgage, assignment, pledge and security interest, as described in the following Granting Clauses.

GRANTING CLAUSE FIRST

All cash and securities now or hereafter held in the Funds and Accounts (as defined herein) created or established under this Indenture (other than the Rebate Fund) and the investment earnings thereon (other than the Rebate Fund) and all proceeds thereof (except to the extent in the Rebate Fund or any amounts which are transferred from such Funds and Accounts from time to time in accordance with this Indenture).

GRANTING CLAUSE SECOND

The Loan Agreement (as defined herein) and the Note (as defined herein) acquired and held by the Trustee pursuant to this Indenture and the earnings thereon and all proceeds thereof and all rights of the holder of the Note under the City Bond Resolution.

GRANTING CLAUSE THIRD

All funds, accounts and monies hereinafter pledged to the Trustee as security by the Bank to the extent of that pledge, including any Tax Monies (as defined herein) received by the Trustee under Section 5.09 hereof.

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

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

PROVIDED HOWEVER, that if the Bank shall pay or cause to be paid, or there shall otherwise be paid or made provision for payment of, the principal of, Redemption Price, and interest on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds, and shall pay or cause to be paid or there shall otherwise be paid or made provision for payment to the Trustee of all sums of money due or to become due according to the provisions hereof and shall otherwise comply with Article 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 Bank has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners, from time to time, of the Bonds, or any part thereof, as follows (subject, however, to the provisions of Sections 3.11 and 3.12 hereof):

ARTICLE I.

DEFINITIONS AND RULES OF INTERPRETATION

SECTION 1.01. Definitions. Terms used herein, unless the context hereof shall require otherwise, shall have the following meanings, and any other terms used herein and not defined herein shall have the meanings given such terms in Section 1.1 of the Loan Agreement unless the context or use thereof indicates another or different meaning or intent.

Accounts

“Accounts” shall mean the accounts created pursuant to Article VI hereof.

Act

“Act” shall mean the Bank Act and the City Act.

Arbitrage Rebate Agreement

“Arbitrage Rebate Agreement” shall mean the Tax Regulatory and Arbitrage Certificate Agreement among the Bank, the City and the Trustee, in connection with the Series 2022 Bonds.

Authorized Officer

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

Bank

“Bank” shall mean the Mississippi Development Bank, a public body corporate and politic of the State, exercising essential public functions and organized under the provisions of the Bank Act.

Bank Act

“Bank Act” shall mean Sections 31-25-1 et seq., Mississippi Code of 1972, as amended and supplemented from time to time.

Bond or Bonds

“Bond” or “Bonds” shall mean the Series 2022 Bonds and any Refunding Bonds.

Bond Counsel

“Bond Counsel” shall mean an attorney or firm of attorneys approved by the City and the Bank that is 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.

Bondholder

“Bondholder” “Holder” or “holder of Bonds” or “owner of Bonds” or any similar term shall mean the Registered Owner of any Bond in whose name a Bond is registered in the Bond Register.

Bond Issuance Expense Account

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

Bond Register

“Bond Register” shall mean the registration records of the Bank kept by the Trustee to evidence the registration and transfer of the Bonds.

Business Day

“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 _____, Mississippi, are authorized or required not to be open for the transaction of regular banking business, (d) any day the City Hall in Pascagoula, Mississippi is closed, or (e) a day on which the New York Stock Exchange is closed.

City

“City” shall mean the City of Pascagoula, Mississippi or any successor thereto.

City Act

“City Act” shall mean Sections 21-33-301 et seq., Mississippi Code of 1972, as amended and/or supplemented from time to time.

City Bond Resolution

“City Bond Resolution” shall mean the resolution of the Mayor and City Council of the City adopted on May 17, 2022 in connection with the Series 2022 Bonds and the loan of the proceeds thereof to the City.

City Project

“City Project” shall mean together, providing projects as authorized under the City Act, including but not limited to (i) constructing, maintaining, reconstructing, improving, and repairing roads and streets and acquiring rights-of-way therefore if necessary; (ii) erecting, repairing, improving, extending or maintaining waterworks or water distribution systems, and repairing, improving and extending the same; (iii) establishing erecting, repairing, improving, extending or maintaining sanitary, storm, drainage or sewerage systems; (iv) constructing, maintaining, reconstructing, improving, and repairing bridges and culverts; and (v) for other authorized purposes under the Act, including funding capitalized interest, if applicable and paying the costs of borrowing.

Closing Date

“Closing Date” shall mean, in connection with the Series 2022 Bonds, the date on which the Series 2022 Bonds are delivered by the Bank to, and paid for by, the Lender.

Code

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

Costs of Issuance

“Costs of Issuance” shall mean any and all costs and expenses relating to the issuance, sale and delivery of the Series 2022 Bonds, and the execution and delivery of this Loan Agreement, the Indenture and the Note, including, but not limited to, all fees and expenses of legal counsel, municipal advisors or consultants, feasibility consultants and accountants, the initial fees and expenses of the Trustee, legal fees and expenses, professional consultants fees, municipal advisory fees and expenses, Placement Agent fees, any fee to be paid to the Bank, bond or reserve fund insurance premiums, credit enhancements or liquidity facility fees, the preparation and printing of this Loan Agreement, the Note, the Indenture, the Tax Intercept Agreement, any preliminary official statement and final official statement, the Series 2022 Bonds, and all other related closing documents, and all other expenses relating to the issuance, sale and delivery of the Series 2022 Bonds required to be paid from the proceeds of the Series 2022 Bonds.

Counsel

“Counsel” shall mean an attorney duly admitted to practice law before the highest court of any state and approved by the Bank and the Trustee.

Default

“Default” shall mean an event or condition the occurrence of which, with the lapse of time or the giving of notice or both, would become an Event of Default hereunder.

Event of Default

“Event of Default” shall mean any occurrence or event specified in Section 10.01 hereof.

Funds

“Funds” shall mean the funds created pursuant to Article VI hereof (other than the Rebate Fund).

General Account

“General Account” shall mean the account by that name created by Section 6.02 hereof.

General Fund

“General Fund” shall mean the fund by that name created by Section 6.02 hereof.

Governmental Obligations

“Governmental Obligations” shall mean 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: United States Treasury obligations, Farmers Home Administration (or the successor thereto), General Services Administration, Guaranteed Title XI financing, Government National Mortgage Association (GNMA); 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.

All Government Obligations must provide for the timely payment of principal, premium, if any, and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the Series 2022

Bonds (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

Indenture

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

Interest Payment Date

“Interest Payment Date” shall mean any date on which interest or principal is payable on the Bonds, and for the Series 2022 Bonds, May 1 and November 1 of each year, commencing _____ 1, 2022, until all principal and interest on the Series 2022 Bonds is paid in full.

Investment Securities

“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 Bank 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.

Lender

“Lender” shall mean _____ and its successors and assigns.

Loan Agreement

“Loan Agreement” shall mean, the Loan Agreement by and between the City and the Bank, dated May __, 2022, as supplemented and amended pursuant to the terms thereof.

Local Governmental Units

“Local Governmental Units”, as defined in the Bank Act, shall mean (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 Bank Act.

Moody's

“Moody's” shall mean Moody's Investors Service, Inc., a Delaware corporation, its successors and assigns and, if dissolved or liquidated or if it no longer performs 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 Bank) by written notice to the Trustee.

Note

“Note” shall mean the \$_____ Promissory Note (Pascagoula, Mississippi Capital Improvements Project), dated May __, 2022, of the City to the Bank attached as **Exhibit A** to the Loan Agreement.

Note Payment

“Note Payment” shall mean the amounts paid or required to be paid, from time to time, for principal of, premium, if any, and interest on a the Note held by the Trustee pursuant to this Indenture.

Notice Address

“Notice Address” shall mean, with respect to the City, the City's address given in connection with the execution and delivery of the Loan Agreement and Promissory Note to the Bank, and, with respect to the Bank, the Trustee, the Placement Agent and the Lender:

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

To the Trustee : _____

Placement Agent : Raymond James & Associates, Inc.
1100 Ridgeway Loop Road, 3rd Floor
Memphis, Tennessee 38120
Attention: Municipal Finance

Lender :

Opinion of Bond Counsel

“Opinion of Bond Counsel” shall mean an opinion by a nationally recognized firm experienced in matters relating to the tax exemption for interest payable on obligations of states and their instrumentalities and political subdivisions under federal law, and which is acceptable to the Bank and the Trustee and the Lender, so long as it owns any of the Bonds.

Opinion of Counsel

“Opinion of Counsel” shall mean a written opinion of Counsel addressed to the Trustee, for the benefit of the owners of the Bonds, who may (except as otherwise expressly provided in this Indenture) be Counsel to the Bank or Counsel to the owners of the Bonds and who is acceptable to the Trustee and the Lender, so long as it owns any of the Bonds.

Outstanding

“Outstanding” or “Bonds Outstanding” shall mean all Bonds which have been authenticated and delivered by the Trustee under this Indenture, including Bonds held by the Bank, except:

- (a) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;
- (a) Bonds deemed paid under Article IX hereof; and
- (b) Bonds in lieu of which other Bonds have been authenticated under Section 3.05, 3.06 or 3.10 hereof.

Placement Agreement

“Placement Agreement” shall mean that certain Private Placement Agreement, dated _____ 2022, by and among the Bank, the Placement Agent and the City in connection with the sale and issuance of the Series 2022 Bonds.

Placement Agent

“Placement Agent” shall mean Raymond James & Associates, Inc., Memphis, Tennessee.

Program

“Program” shall mean the program for entering into a loan with Local Governmental Units by the Bank pursuant to the Bank Act.

Program Expenses

“Program Expenses” shall mean all of the fees and expenses of the Trustee and the Bank 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 Bank.

Project

“Project” shall mean providing financing to (a) fund a loan to the City under the Loan Agreement in order to finance the City Project and the Redemption Project, and (b) paying Costs of Issuance for the Series 2022 Bonds.

Rebate Fund

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

Record Date

“Record Date” shall mean, with respect to any Interest Payment Date, the fifteenth day of the calendar month next preceding such Interest Payment Date.

Redemption Account

“Redemption Account” shall mean the account by that name created by Section 6.02 hereof.

Redemption Price

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

Refunding Bonds

“Refunding Bonds” shall mean Bonds issued pursuant to Section 2.05 hereof and any Supplemental Indenture.

Registered Owner

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

Revenues

“Revenues” shall mean the Funds and Accounts and all income, revenues and profits of the Funds and Accounts referred to in the granting clauses hereof including, without limitation, all Note Payments, any Tax Monies and any additional amount paid to the Trustee under the Loan Agreement or the Note or the City Bond Resolution or from any other source whatsoever.

S&P

“S&P” shall mean Standard & Poor's Credit Market Services, a division of The McGraw Hill Companies, Inc., a New York corporation, its successors and assigns and, if dissolved or liquidated or if it no longer performs the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City (with the approval of the Bank) by written notice to the Trustee.

Security Documents

“Security Documents” shall mean this Indenture, the Loan Agreement, the Note, the Tax Intercept Agreement, the Series 2022 Bonds and/or any additional or supplemental document executed in connection with the Series 2022 Bonds.

Series 2022 Bonds

“Series 2022 Bonds” shall mean the \$_____ Mississippi Development Bank Special Obligation Bonds, Series 2022 (Pascagoula, Mississippi Capital Improvements Project) issued pursuant to Section 2.01 of this Indenture.

State

“State” shall mean the State of Mississippi.

Supplemental Indenture

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

Tax Intercept Agreement

“Tax Intercept Agreement” shall mean the Tax Intercept Agreement, dated May __, 2022, by and between the City and the Bank, and accepted by the Trustee, as further described in **Section 5.09** hereof, as supplemented and amended pursuant to the terms thereof.

Tax Monies

“Tax Monies” shall have the meaning given to it in Section 5.09 hereof.

Treasury Regulations

“Treasury Regulations” shall mean all proposed, temporary or permanent federal income tax regulations then in effect and applicable.

Trust Estate

“Trust Estate” shall mean the property, rights, and amounts pledged and assigned to the Trustee pursuant to the Granting Clauses hereof.

Trustee

“Trustee” shall mean _____, or any successor trustee appointed, qualified and then acting as such under the provisions of the Indenture.

SECTION 1.02. Rules of Interpretation. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) 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.

(b) 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.

(c) 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.

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

(e) 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.

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

(g) For purposes of this Indenture and the Loan Agreement, a petition in bankruptcy shall be deemed dismissed only if either (a) the petition is dismissed by order of a court of competent jurisdiction and no further appeal rights exist from such order or (b) the City notifies and provides satisfactory evidence to the Trustee and the Lender that such a dismissal has occurred.

(h) 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 2022 Bonds. In accordance with the Act, the "Mississippi Development Bank Special Obligation Bonds, Series 2022 (Pascagoula, Mississippi Capital Improvements Project)" are hereby authorized to be issued. The aggregate principal amount of Series 2022 Bonds that may be issued, authenticated and Outstanding hereunder is _____ Dollars (\$_____).

(a) 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 2022 Bonds issued pursuant to this Indenture. The Series 2022 Bonds shall be payable solely from the Revenues. The State shall not be liable on the Series 2022 Bonds and the Series 2022 Bonds shall not be a debt, liability, pledge of the faith or loan of the credit of the State. The Series 2022 Bonds shall contain on the face thereof a statement to the effect that the Bank is obligated to pay the principal of the Series 2022 Bonds, the interest and the redemption premium, if any, thereon only from the Revenues and that the State is not obligated to pay such principal, interest or redemption premium, if any, and that neither the faith and credit nor the taxing power of the State is pledged to the payment of the Series 2022 Bonds. In the Bank Act, the State has pledged to and agreed with the holders of any Series 2022 Bonds that the State will not limit or alter the rights hereby vested in the Bank to fulfill the terms of any agreements made with the said Bondholders or in any way impair the rights and remedies of such holders until such Series 2022 Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders of Series 2022 Bonds, are fully met and discharged. All Series 2022 Bonds shall mature on _____ 1, 20__.

SECTION 2.02. Purpose and Disposition of Series 2022 Bonds. The purpose for issuing the Series 2022 Bonds is (a) to fund a loan to the City under the Loan Agreement in order to finance the City Project and the Redemption Project; and (b) to fund the Bond Issuance Expense Account of the General Fund to pay the Costs of Issuance. Upon the delivery of the Series 2022 Bonds and receipt of the net proceeds thereof, the Bank shall deliver to the Trustee proceeds of the Series 2022 Bonds in the amount of \$_____. The proceeds of the Series 2022 Bonds shall be deposited as follows: (1) into the Bond Issuance Expense Account of the General Fund, the sum of \$_____ to pay Costs of Issuance; (3) into the Loan Account of the General Fund, the sum of \$_____ to fund a loan to the City under the Loan Agreement, as secured by the Note.

SECTION 2.03. General Description of the Series 2022 Bonds. The Series 2022 Bonds shall initially be issued as a single, fully registered bond in an amount equal to the total principal amount of such bond authorized in the amount of \$_____ and shall be numbered R-1.

The Series 2022 Bond shall be dated its date of original issuance and shall carry the date on which it is authenticated. If a Series 2022 Bond is authenticated on or prior to November 1, 2022, it shall bear interest from its date of original issuance. Each Series 2022 Bond authenticated after November 1, 2022, 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 2022 Bond unless such Series 2022 Bond is authenticated after a Record Date and on or before the next succeeding Interest Payment Date, in which event the Series 2022 Bond will bear interest from such next succeeding Interest Payment Date.

Interest on the Series 2022 Bonds shall be payable on May 1 and November 1 of each year, commencing _____ 1, 2022, until the Series 2022 Bonds are paid in full. Interest will be calculated using a three hundred sixty (360) day year based on twelve (12) thirty (30) day months.

The Series 2022 Bonds shall mature on _____ with principal paid annually on each May 1 through mandatory sinking fund redemptions as set forth herein, and shall bear interest at the rate of _____% per annum, and shall be payable, all as set forth below:

**Year of
Maturity**

**Principal
Amount**

**Interest
Rate**

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

Upon the occurrence of an Event of Default, the Series 2022 Bonds shall automatically bear interest at a rate of ___% per annum. The Lender shall provide the Bank and the City with an updated debt service schedule for the Series 2022 Bonds which shall supersede the prior debt service schedule.

SECTION 2.04. Provisions for Issuance of Bonds. Bonds shall be executed by Authorized Officers of the Bank for issuance under this Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the Bank or to the Lender, as specified in a written order of the Bank, but only upon the receipt by the Trustee of:

(a) An Opinion of Counsel dated as of the date of delivery thereof to the effect that (1) the Indenture and the performance by the Bank of its obligations hereunder, have been duly authorized, and the Indenture has been duly executed and delivered by the Bank and constitutes the legal, valid and binding agreement of the Bank, enforceable in accordance with its terms; (2) the Bonds have been duly authorized, sold, executed and delivered by the Bank, and are valid and binding obligations of the Bank enforceable in accordance with their terms; and (3) all resolutions and actions of the Bank relating to the documents in question and all related proceedings comply with all rules and regulations of the Bank and all approvals or other actions required to be obtained or taken by the Bank under the Bank Act have been obtained or taken as required;

(b) A written order as to the delivery of such Bonds, signed by an Authorized Officer;

(c) (i) A copy, duly certified by the an Authorized Officer, of the resolution adopted and approved by the Bank, authorizing the execution and delivery of the Indenture and the sale and issuance of such Bonds, certified by an Authorized Officer; and (ii) a copy, duly certified by the City Clerk of the City, of the resolution or resolutions adopted by 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 Note;

(d) A certificate of an Authorized Officer that the issuance of such Bonds will not violate any limitations in the Bank Act or any other laws of the State as to the amount of bonds that may be outstanding from time to time under the Bank Act;

(e) An Opinion of Bond Counsel dated as of the date of delivery thereof, and copies of any other opinions of Counsel required by Bond Counsel and the Lender;

(f) A certificate of an Authorized Officer that the Bank Act has not been repealed or amended in a manner that would adversely affect the rights of owners of such Bonds;

(g) Original executed counterparts of this Indenture and the other Bond Documents;
and

(h) Such further documents, monies and securities as are required by the provisions of Article VII hereof or required by the Lender.

SECTION 2.05. Provisions for Issuance of Refunding Bonds. All or any part of one or more series of Refunding Bonds may be 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 Bank Act, this Section and by the Supplemental Indenture authorizing said Refunding Bonds.

(a) 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:

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

(2) Irrevocable instructions to the Trustee, satisfactory to it, to give notice provided for in Section 4.05 hereof to the owners of the Bonds being refunded (which may be a conditional notice of redemption); and

(3) Either **(A) monies** in an amount sufficient to effect timely payment at the applicable Redemption Price or principal payment amount of the Bonds to be refunded or paid, respectively, together with accrued interest on such 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 and the Lender in a separate account irrevocably in trust for and assigned to the respective owners of the Bonds to be refunded or paid, or **(B) Governmental** Obligations in such principal amounts, of such maturities, bearing such interest and premium, if any, 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 Bonds.

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

[FORM OF BOND]

**UNITED STATES OF AMERICA
STATE OF MISSISSIPPI**

**\$ _____
MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BOND, SERIES 2022
(PASCAGOULA , MISSISSIPPI CAPITAL IMPROVEMENTS PROJECT)**

No. R-1 **\$ _____**

Interest Rate	Maturity Date	Original Date	Date of Authentication	CUSIP
_____ %	March 1, 2041	May __, 2022	May __, 2022	_____

Registered Owner: _____

Principal Amount: _____ **DOLLARS**

Mississippi Development Bank, a body corporate and politic, exercising essential public functions ("**Bank**"), 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, upon surrender hereof, the principal amount stated above in lawful money of the United States of America but solely from the sources referred to herein and not otherwise, on the Maturity Date specified above, 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 November 1, 2022, then from its original date of issuance, or unless this Bond is authenticated after the fifteenth day of the month preceding 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 May 1 and November 1 (each an "**Interest Payment Date**"), commencing _____, until payment of such principal amount shall have been paid in full, whether at redemption or at maturity or otherwise. The principal of, premium, if any, and interest on this Bond is payable by wire transfer or electronic funds transfer or by such other method as is acceptable to the Trustee and the Bondholder upon written election of such Bondholder at least one Business Day prior to the applicable payment date. Notwithstanding anything herein to the contrary, no presentation or surrender of this Bond shall be required for payment of principal or interest prior to the redemption in full of this Bond or the maturity date.

This Bond, and the interest payable hereon and thereon, is payable solely by the Bank from the Revenues (as defined herein) and other funds of the Bank pledged therefor under the Indenture, which Revenues and funds include the payments on the Note (as defined in the Indenture) purchased by the Bank and assigned to the Trustee. The Bank has no taxing power. This Bond, as to principal, premium, if any and interest, does not constitute a debt, liability or loan of the credit of the State or any political subdivision thereof, including the City (as defined herein), under the constitution or statutes of the State or a pledge of the faith and credit or the taxing power of the State or any political subdivision thereof,

including the City, but this Bond shall be payable from all legally available revenues of the City, including, without limitation, available amounts of the City's General Fund and the terms and provisions of the hereinafter defined Tax Intercept Agreement including Tax Monies as defined therein. The issuance of this Bond under the provisions of the Bank Act (as defined herein) does not, directly, indirectly or contingently, obligate the State or any political subdivision thereof, including the City, to levy any form of taxation for the payment thereof or to make any appropriation for their payment and such 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, including the City; however the City is obligated to make payments on the Note from its general fund, City Revenues (as defined in the Loan Agreement), Tax Monies and from any other funds lawfully available therefor. Neither the State nor any agent, attorney, member or employee of the State or of the Bank shall in any event be liable for the payment of the principal of, premium, if any, or interest on the Bond or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Bank. No breach by the Bank of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any agent, employee, attorney or member of the State or of the Bank, or any charge upon their general credit or upon the taxing power of the State. In the Bank Act, the State has pledged and agreed with the holders of any Bond that the State will not limit or alter the rights hereby vested in the Bank to fulfill the terms of any agreements made with the said Bondholders or in any way impair the rights and remedies of such holders until such Bond, 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 Bond, are fully met and discharged. As provided for in the Bank Act, the City and the Bank have entered into and the Trustee has accepted the Tax Intercept Agreement dated May __, 2022 as supplemented and amended (the "Tax Intercept Agreement") whereby the City has covenanted, agreed and authorized the Mississippi Department of Revenue or any other State agency, department or commission to (a) withhold all or any part of any monies which the City is entitled to receive from time to time pursuant to any law and which is in possession of the Mississippi Department of Revenue or any other State agency, department or commission (the "**Tax Monies**") and (b) pay same over to the Trustee to satisfy any delinquent payment on this Bond.

This Bond constitutes the sole bond of an authorized issue of bonds of the Bank known as \$_____ Mississippi Development Bank Special Obligation Bonds, Series 2022 (Pascagoula, Mississippi Capital Improvements Project) (the "**Bonds**"), issued under and secured by an Indenture of Trust, dated May __, 2022 (as supplemented and amended, "**Indenture**"), duly executed and delivered by the Bank to _____, _____, Mississippi, as Trustee ("**Trustee**"). This Bond is limited in aggregate principal amount to _____ Dollars (\$_____). This Bond is issued pursuant to Sections 31-25-1 et seq., Mississippi Code of 1972, as amended (the "**Bank Act**"), to provide funds for a loan to the City of Pascagoula, Mississippi (the "**City**"), secured by the Note and the Loan Agreement (as defined herein) and to pay costs of issuing the Bond and the Note. The Note is the \$_____ Promissory Note (Pascagoula, Mississippi Capital Improvements Project), dated May __, 2022 (the "**Note**"), of the City, issued pursuant to a loan agreement by and between the City and the Bank, dated May __, 2022 (as supplemented and amended, the "**Loan Agreement**"). The Note will be paid from any legally available revenues of the City, including, without limitation, available amounts of the City's General Fund, as secured and described in the Loan Agreement. The proceeds received by the City under the Loan Agreement will be used by the City to provide funds for (i) constructing, maintaining, reconstructing, improving, and repairing roads and streets and acquiring rights-of-way therefore if necessary; (ii) erecting, repairing, improving, extending or maintaining waterworks or water distribution systems, and repairing, improving and extending the same; (iii) establishing erecting, repairing, improving, extending or maintaining sanitary, storm, drainage or sewerage systems; (iv) constructing, maintaining, reconstructing, improving, and repairing bridges and culverts; and (v) for other authorized purposes under the Act, including funding capitalized interest, if applicable and paying the costs of borrowing (the "**City Project**").

This Bond is secured by and entitled to the protection of the Indenture and with any Refunding Bonds which may be issued pursuant to Section 2.05 of the Indenture. To secure payment of principal of, premium, if any, and interest on all the Bonds and performance of all other covenants of the Bank under

the Indenture, the Bank, pursuant to the Indenture, has assigned and pledged to the Trustee, and has granted to the Trustee a security interest in, the Trust Estate (as defined in the Indenture), including all rights, title and interest of the Bank in and to all monies 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 monies and securities held in the Rebate Fund established under the Indenture (all such money and funds and accounts referred to in the granting clauses of the Indenture are defined in the Indenture and are herein referred to as the “**Revenues**”). Reference is hereby made to the Indenture for a description of the rights, duties and obligations of the Bank, the Trustee and the owner of the Bond, the terms and conditions upon which the Bond is issued and the terms and conditions upon which the Bond will be paid at or prior to their stated maturity, or will be deemed to be paid upon the making of provision for payment therefor. Copies of the Indenture are on file at the principal corporate trust office of the Trustee in _____, Mississippi.

This Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Trustee, but only to (i) an affiliate of the Registered Owner hereof or (ii) a bank, insurance company or other financial institution, or an affiliate thereof, and otherwise in the manner and subject to the limitations prescribed in the Indenture and upon surrender and exchange of this Bond. Nothing in this Bond or the Indenture shall be construed as a limitation on the right of the Registered Owner to sell or assign participation interests in this Bond to one or more entities the Registered Owner determines are listed in clauses (i) or (ii) of the preceding sentence. 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 or Bonds of the same maturity and of authorized denomination or denominations of \$250,000 and integral multiples of \$1 in excess thereof will be issued to the transferee in exchange therefor.

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

This Series 2022 Bond is issued as a single, fully registered bond in the principal amount of \$_____, except as may be reduced by scheduled payments of principal pursuant to mandatory sinking fund redemption as provided herein. Subject to the limitations, this Bond may be exchanged for principal amounts of the same maturity in authorized denominations of \$250,000 and integral multiples of \$1 in excess thereof.

If the City directs the Bank to redeem Bonds pursuant to the City Bond Resolution, the Bank has agreed under the Indenture to accept redemption and redeem Bonds in the following instances:

Prior to May 1, 20___, the Series 2022 Bonds are not subject to optional redemption. Beginning May 1, 20___, the Series 2022 Bonds are subject to optional redemption in whole or in part at any time at a price equal to 100% of par plus accrued interest.

Partial redemptions (i) must be in an aggregate principal amount of not less than \$250,000, (ii) may occur only once per calendar year, and (iii) shall be credited, first, to principal installments payable on this Bond, in inverse order of principal installments due.

The Bonds in the principal amount of \$_____ are subject to mandatory sinking fund redemption, prior to maturity, on each May 1, commencing May 1, 20___ through and including May 1, 20___ in the principal amount for each year together with accrued interest to the date of redemption as listed below, as follows:

(to come)

In the event this Bond is called for optional redemption as aforesaid, notice thereof will be given by mailing a copy of the redemption notice (which may be a conditional notice of redemption) by certified mail at least thirty (30) days (or such shorter period agreed to by the Registered Owner) prior to the date

fixed for redemption to the Registered Owner of the Bond at the address shown on the Bond Register. Notice of mandatory sinking fund redemption is not required.

If this 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 under the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture, provided funds for the redemption hereof 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 Series 2022 Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made to the extent permitted by, and in accordance with, the Indenture.

The Bank hereby certifies, recites and declares that all acts, conditions and things required by the constitution and statutes of the State, the Indenture, and resolutions of the Bank to exist, happen and be performed prior to the issuance of this Series 2022 Bond do exist, have happened and have been performed in due time, form and manner as required by the Act; that the issuance of this Series 2022 Bond, together with all other obligations of the Bank, does not exceed or violate any constitutional or statutory limitation applicable to the Bank; and that the revenues pledged to the payment of the principal of, premium, if any, and interest on this Series 2022 Bond, as the same become due, are designed to be sufficient in amount for that purpose.

This Series 2022 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.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY TO ONE OR MORE ENTITIES EACH OF WHICH REPRESENTS IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR," AS DEFINED IN RULE 501 UNDER THE SECURITIES ACT, OR A "QUALIFIED INSTITUTIONAL BUYER," AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT, OR ANY SUCCESSOR PROVISIONS THERETO, IN ACCORDANCE WITH APPLICABLE FEDERAL AND STATE SECURITIES LAWS.

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 facsimile or manual signature of its Executive Director and a facsimile or manual seal of its official seal to be hereunto impressed or imprinted hereon by any means and attested by the facsimile or manual signature of its Secretary.

(SEAL)

MISSISSIPPI DEVELOPMENT BANK

By _____
Executive Director

ATTEST:

By _____

Secretary

CERTIFICATE OF AUTHENTICATION

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

_____, as Trustee

By _____
Authorized Signatory

Date of Authentication: May __, 2022

VALIDATION CERTIFICATE

STATE OF MISSISSIPPI)
) ss:
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 9th day of March, 2022.

(SEAL)

Secretary

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: _____

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

By _____
Authorized Officer

[END OF BOND FORM]

SECTION 2.07. RESERVED.

SECTION 2.08. RESERVED.

SECTION 2.09. RESERVED.

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 on the Bond and principal of and premium if any on the Series 2022 Bonds attributable to a mandatory sinking fund redemption shall be payable by wire transfer or electronic funds transfer or by such other method as is acceptable to the Trustee and the Bondholder upon written election of such Bondholder at least one Business Day prior to the applicable payment date. Principal at final maturity or redemption in full shall be payable at the principal corporate trust office of the Trustee upon presentation of the Bonds to be paid. Notwithstanding the foregoing, presentation of the Series 2022 Bond shall not be required in connection with a payment of principal attributable to a mandatory sinking fund redemption.

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 Bank prior to the delivery thereof.

SECTION 3.03. Execution. The Bonds shall be executed on behalf of the Bank with the manual or facsimile signature of its Executive Director, President or Vice President, or Secretary and shall have impressed or imprinted thereon, by facsimile or otherwise, the official seal of the Bank, which seal shall be attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Bank. In case any officer of the Bank whose signature or whose facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Any Bond may be executed and attested on behalf of the Bank by such officer as at the time of the execution of such Bonds shall be duly authorized or hold the proper office of the Bank although at the date borne by the Bonds or at the date of delivery of the Bonds such officer may not have been so authorized or have held such office.

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 substantially in the following form shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture:

CERTIFICATE OF AUTHENTICATION

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

_____, as Trustee

By _____
Authorized Signatory

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

SECTION 3.05. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, the Bank shall execute and the Trustee shall authenticate a new Bond or Bonds of the same maturity and denomination, as that mutilated, lost, stolen or destroyed; provided that in the case of any mutilated Bond, such Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with 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, before any payment may be made. The Trustee may charge the owner of such Bond its reasonable fees and expenses in connection with replacing any Bonds 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 Bank 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 Bank shall cause the Bond Register to be kept by the Trustee at its principal corporate trust office, and the Trustee is hereby constituted and appointed the bond registrar of the Bank. At reasonable times and under reasonable regulations established by the Trustee, said Bond Register may be inspected by the Bank or by owners (or a designated representative thereof) of five percent (5%) or more in aggregate principal amount of the Bonds then Outstanding.

The Series 2022 Bonds are transferable by the Registered Owner thereof only to (i) an affiliate of the Registered Owner or (ii) a bank, insurance company or other financial institution, or an affiliate thereof. Nothing in this Indenture shall be construed as a limitation on the right of the Registered Owner hereof or its assignees to sell or assign participation interests in the Series 2022 Bonds to one or more entities the Registered Owner determines are listed in clauses (i) or (ii) of the preceding sentence.

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

The Trustee shall not be required **(a)** to register, transfer or exchange any Bond during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds, or **(b)** to register, transfer

or exchange any Bonds selected, called or being called for redemption prior to their stated maturity 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 his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

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, amount 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 Bank.

SECTION 3.08. Nonpresentment of Bonds. In the event any Bond shall not be presented for payment 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 Bank 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 Bank and thereafter the Bondholders shall be entitled to look only to the Bank for payment, and then only to the extent of the amount so repaid, and the Bank shall not be liable for any interest thereon to the Bondholders and shall not be regarded as a trustee of such money.

SECTION 3.09. Other Obligations Payable from Revenues. The Bank shall grant no liens or encumbrances on or security interests in the Trust Estate (other than those created by this Indenture), and, except for the Bonds, shall issue no bonds or other evidences of indebtedness payable from the Trust Estate.

SECTION 3.10. Temporary Bonds. Until the definitive Bonds are ready for delivery, the Bank may execute, in the same manner as is provided in Section 3.03, and, upon the request of the Bank, the Trustee shall authenticate and deliver, one or more temporary Bonds, which shall be fully registered. Such temporary Bonds shall be subject to the same provisions, limitations and conditions as the definitive Bonds and shall be substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in the denominations of \$250,000 and integral multiples of \$1 in excess thereof, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Bank at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Indenture.

If the Bank shall authorize the issuance of temporary Bonds in more than one denomination, the owner of any temporary Bond or Bonds may, at his option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount and maturity of any other

authorized denomination or denominations, and thereupon the Bank shall execute and the Trustee, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes and charges provided for in Section 3.06, 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 either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

SECTION 3.11. Limitations on Obligations of Bank. The Bonds, together with interest thereon, shall be limited obligations of the Bank 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 Note acquired by the Trustee, all of which are hereby assigned and pledged hereunder for the equal and ratable payment of the Bonds and shall be used for no other purpose than the payment of the Bonds, except as may be otherwise expressly authorized in this Indenture. The Bonds do not constitute a debt or liability of the State or of any political subdivision thereof under the constitution of the State or a pledge of the faith and credit of the State or any political subdivision thereof, including the City, but shall be payable solely from the Revenues and funds pledged therefor in accordance with this Indenture, but the Bonds shall be payable from all legally available revenues of the City, including, without limitation, available amounts of the City's General Fund, and from revenues derived and to be derived from the operation of the System (as defined in the Loan Agreement) and the terms and provisions of the defined Tax Intercept Agreement including Tax Monies as defined therein. The issuance of the Bonds under the provisions of the Bank Act does not directly, indirectly or contingently, obligate the State or any political subdivision thereof, including the City, to levy any form of taxation for the payment thereof or to make any appropriation for their payment and such Bonds and the interest payable thereon do not now and shall never constitute a debt of the State or any political subdivision thereof within the meaning of the constitution of the State or the statutes of the State and do not now and shall never constitute a charge against the credit or taxing power of the State or any political subdivision thereof, including the City but the Bonds shall be payable from all legally available revenues of the City, including, without limitation, available amounts of the City's General Fund, and from revenues derived and to be derived from the operation of the System (as defined in the Loan Agreement) and the terms and provisions of the defined Tax Intercept Agreement including Tax Monies as defined therein. Neither the State nor any agent, attorney, member or employee of the State or of the Bank, shall in any event be liable for the payment of the principal of, and premium, if any, or interest on the Bonds or damages, if any, for the nonperformance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Bank. No breach by the Bank of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any of the State's or the Bank's agents, members, attorneys, and employees or any charge upon the general credit of the State or a charge against the taxing power of the State or any political subdivision thereof, including the City. In the Bank Act, the State has pledged to and agreed with the holders of any Series 2022 Bonds that the State will not limit or alter the rights hereby vested in the Bank to fulfill the terms of any agreements made with the said Bondholders or in any way impair the rights and remedies of such holders until such Series 2022 Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders of Series 2022 Bonds are fully met and discharged.

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 Bank or any officer, member, director, trustee, agent or employee of any successor entities thereto, as such, either directly or through the Bank or any successor entities, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, directors, trustees, agents, or employees as such, is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and issuance of such Bonds.

ARTICLE IV.

REDEMPTION OF BONDS PRIOR TO MATURITY

SECTION 4.01. Privilege of Redemption and Redemption Prices. If the City directs the Bank to redeem the Series 2022 Bonds pursuant to the City Bond Resolution, the Bank agrees to accept redemption and redeem the Series 2022 Bonds in the following instances:

(a) **Optional Redemption.** Prior to May 1, 20__, the Series 2022 Bonds are not subject to optional redemption. Beginning May 1, 20__, the Series 2022 Bonds are subject to optional redemption in whole or in part at any time at a price equal to 100% of par plus accrued interest.

(b) **Mandatory Sinking Fund Redemption.** The Bonds in the principal amount of \$_____ are subject to mandatory sinking fund redemption, prior to maturity, or redemption, on each May 1, commencing May 1, 20__ through and including May 1, 20__ in the principal amount for each year together with accrued interest to the date of redemption as listed below:

\$ _____ Term Bonds ____ %	
Year edog	Principal Amount

* Final Maturity.

SECTION 4.02. RESERVED. **SECTION 4.03. Redemption Payments.** If funds shall be deposited with the Trustee on or before the redemption date in an amount sufficient to pay the Redemption Price of the Bonds or portions thereof called, including accrued interest thereon to the redemption date, the Trustee is hereby authorized and directed to apply such funds to the payment of such Bonds. If proper notice of redemption by mailing has been given as provided in Section 4.05 and sufficient funds for redemption shall be on deposit with the Trustee as aforesaid, interest on the Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption. No payment shall be made by the Trustee upon any Bond or portion thereof called for redemption until such 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 Bond.

SECTION 4.04. Notice of Redemption. Notice of the call for any redemption, identifying the Bonds (which may be a conditional notice of redemption) to be redeemed, 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 Lender) prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the Bond Register. Failure to give such notice by mailing to any Bondholder or any defect in such notice, shall not affect the validity of any proceeding for the redemption of any other Bonds.

SECTION 4.05. Cancellation. All 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. Payments of Principal and Interest. The Bank covenants and agrees that it will promptly pay the principal of, premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof, provided that the principal, premium, if any, and interest are payable by the Bank solely from Revenues and any other funds or assets of the Bank hereinafter pledged to the Trustee as security by the Bank to the extent of that pledge.

SECTION 5.02. Performance of Covenants by the Bank. The Bank covenants and agrees that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, if any, and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining thereto. The Bank covenants and agrees that it is duly authorized under the constitution and laws of the State, including particularly the Act, to issue the Bonds authorized hereby and to execute this Indenture and to pledge the Revenues and all other property hereby pledged in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture and the Loan Agreement have been duly and effectively taken, and that the Bonds in the hands of the owners thereof are and will be valid and enforceable limited obligations of the Bank according to the terms thereof and hereof.

SECTION 5.03. Instruments of Further Assurance. The Bank covenants and agrees that the Trustee may defend its rights to the payment of the Revenues for the benefit of the owners of the Bonds against the claims and demands of all persons whomsoever. The Bank covenants and agrees that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, pledging, assigning and confirming unto the Trustee all and singular the rights assigned hereby and the amounts and other property pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds.

SECTION 5.04. Covenants Concerning Program.

(a) In order to provide for the payment of the principal, premium, if any, and interest on the Bonds and Program Expenses, the Bank shall from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Bank Act, the provisions of this Indenture and sound banking practices and principles, to the extent necessary to provide for the payment of the Bonds (1) 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 Note), and (2) diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Bank to protect its rights with respect to or to maintain any insurance on the Bonds, the Note and the Loan Agreement and to enforce all terms, covenants and conditions of the Note and Loan Agreement and Tax Intercept Agreement including the collection, custody and prompt application of all payments and deposits required by the terms of the Note and the Loan Agreement and Tax Intercept Agreement for the purposes for which they were made.

(b) Whenever necessary in order to provide for the payment of debt service on the Bonds, the Bank shall commence or direct the Trustee to commence appropriate remedies with respect to the Note and Loan Agreement which are in default including remedies under the Tax Intercept Agreement.

SECTION 5.05. Possession and Inspection of Note and Loan Agreement. The Trustee covenants and agrees to retain or cause its agent to retain possession of the Note and the Loan Agreement and Tax Intercept Agreement and a copy of the transcript or documents related thereto and release them only in accordance with the provisions of this Indenture. The Bank and the Trustee

covenant and agree that all records and documents in their possession relating to the Note and the Loan Agreement and Tax Intercept Agreement shall at all times be open to inspection by such accountants or other agencies or persons as the Bank or the Trustee may from time to time designate or approve.

SECTION 5.06. Accounts and Reports. The Bank covenants and agrees to keep proper records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Program, the Note and the Funds and Accounts established by this Indenture. Such records, and all other records and papers of the Bank, and such Funds and Accounts shall at all reasonable times be subject to the inspection of the Trustee and the owners of an aggregate of not less than five percent (5%) in principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

The Trustee covenants and agrees to provide to the Bank, if requested by the Bank, prior to the twentieth (20th) day of the month following the end of each six-month period, commencing with the period ending November 1, 2022, 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 (6) month or applicable period.

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

SECTION 5.07. Bank Covenants with Respect to Note and Loan Agreement.

(a) The Bank covenants and agrees that it will not permit or agree to any change in, modification of, supplement to, the Note, Loan Agreement, Tax Intercept Agreement or waiver of the Note, Loan Agreement, Tax Intercept Agreement or the City Bond Resolution without the prior written consent of the Lender; provided that the Lender agrees not to unreasonably withhold its consent with respect to any changes that will not impact in any way the timeliness or source of repayment of the Note, or any rights, security, interest or remedies or any City obligations relating to the Tax Intercept Agreement, the City Bond Resolution, the Note or the Loan Agreement.

(b) The Bank covenants and agrees that it will enforce or authorize the enforcement of all remedies available to owners or holders of the Note and the Loan Agreement; provided, however, that decision as to the enforcement of remedies shall be within the sole discretion of the Trustee or the Registered Owner of the Series 2022 Bonds.

(c) The Bank covenants and agrees that it will not sell, encumber, assign or dispose of all or any part of the Note except for the pledge and assignment in favor of the Trustee as security for the Series 2022 Bonds.

SECTION 5.08. Monitoring Investment. The Bank covenants and agrees to regularly review the investments held by the Trustee in the Funds and Accounts for the purpose of assuring that the Revenues derived from such investments are sufficient to provide, with other anticipated Revenues, the debt service on Outstanding Bonds.

SECTION 5.09. Agreement Withholding City Monies to Satisfy Delinquent Payments. ^A s provided for in the Bank Act, the City and the Bank have entered into and the Trustee has accepted the Tax Intercept Agreement whereby the City has covenanted, agreed and authorized the Mississippi Department of Revenue or any other State agency, department or commission created pursuant to state law to (a) withhold all or any part of any monies which the City is entitled to receive from time to time pursuant to any law and which is in possession of the Mississippi Department of Revenue or any other State agency, department or commission created pursuant to state law (the "**Tax Monies**") and (b) pay same over to the Trustee to satisfy any delinquent payment (the "**Delinquent Payment**") under Section

4.2 and 4.4 of the Loan Agreement. If on the fifteenth (15th) day of April and October of each year, beginning October 15, 2022, the Trustee has not received sufficient City Revenues pursuant to Section 4.2(a) of the Loan Agreement to timely make the payments under Sections 4.2 and/or 4.4 of the Loan Agreement, the Bank has authorized and directed the Trustee under the Tax Intercept Agreement to file the Tax Intercept Agreement and a statement of deficiency setting forth the amount of any Delinquent Payment with the Mississippi Department of Revenue or any other State agency, department or commission created pursuant to state law, thereby directing the Mississippi Department of Revenue or any other State agency, department or commission created pursuant to state law to pay any Tax Monies directly to the Trustee on behalf of the Bank to satisfy any Delinquent Payment, all as permitted under the Bank Act. The Trustee is hereby directed to pay any Tax Monies into the General Account of the General Fund to be applied in accordance with Section 6.05 hereof.

SECTION 5.10. Covenants Concerning Preservation of Tax Exemption. The Bank hereby covenants and agrees to take all qualifying actions and to not fail to take any qualifying actions which are necessary in order to protect and preserve the exclusion from gross income for federal income tax purposes of the interest on the Bonds. For this purpose, the Bank shall approve and deliver to the Trustee and the Lender 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 and the Lender of an Opinion of Bond Counsel to the effect that compliance by the Bank with such certificate will not adversely affect the exclusion of interest on the Bonds from gross income of the holders 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 Bank hereunder are limited obligations of the Bank payable solely out of the Trust Estate as authorized by the constitution and statutes of the State, including particularly the Bank Act and this Indenture, as provided herein.

SECTION 6.02. Creation of Funds. There are hereby created by the Bank and ordered established the following funds to be held by the Trustee: (a) the General Fund and (b) the Rebate Fund. There is hereby created and established in the General Fund a "General Account," a "Bond Issuance Expense Account," a "Redemption Account," and a "Loan Account." Upon the written request of the Bank, the Trustee shall establish and maintain hereunder such additional Funds, Accounts or subaccounts as the Bank may specify from time to time to the extent that in the judgment of the Trustee the establishment of such Fund or Account is not to the material prejudice of the Trustee or the Bondholders.

SECTION 6.03. Deposit of Net Proceeds of Bonds.

(a) The Trustee shall deposit the proceeds from the sale of the Series 2022 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 Bonds and monies received upon sale or prepayment prior to maturity of the Note), the Trustee shall deposit such amounts into the General Account.

SECTION 6.05. Operation of General Account. The Trustee shall deposit in the General Account of the General Fund of the General Fund all monies and funds required to be deposited therein pursuant to the provisions of this Article VI.

The Trustee shall invest such 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 thirty (30) days after each anniversary of the issuance of the Bonds, the amounts to be transferred to the Rebate Fund;

(b) On or before each Interest Payment Date, to the Trustee such amount as shall be necessary to pay the principal and interest coming due on the Bonds on such Interest Payment Date;

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

(d) After making such deposits in subsections (a) through (c) above, and so long as no Default or Event of Default has occurred, the Trustee shall make a determination of the amounts reasonably expected to be received in the form of Note Payments 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, premium, if any, and interest on the Series 2022 Bonds within the immediately succeeding twelve month period, to the City at the request of the City with the prior written approval of the Bank and the Lender.

SECTION 6.06. Operation of the Redemption Account.

The Trustee shall deposit in the Redemption Account all monies received upon the prepayment prior to maturity of the Note and all other monies required to be deposited therein pursuant to the provisions of Article VI hereof, shall invest such funds pursuant to Article VIII hereof and shall disburse the funds held in the Redemption Account to redeem Bonds. Such redemption shall be made pursuant to a redemption under the provisions of Article IV hereof. The Trustee shall pay the interest accrued on the Bonds so redeemed to the date of redemption from the General Account and the Redemption Price from the Redemption Account.

SECTION 6.07. Operation of the Loan Account. The Trustee shall deposit in the Loan Account all monies 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 Loan Account to provide a loan to the City under the terms and provisions of the Loan Agreement said loan being secured by the Note all in accordance with the procedures established by the Bank as set forth in Article VII hereof upon the submission of requisitions of the Bank signed by an Authorized Officer stating that all requirements with respect to such loan set forth in the Indenture have been or will be complied with.

SECTION 6.08. Operation of Bond Issuance Expense Account. The Trustee shall deposit in the Bond Issuance Expense Account the monies 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 authorized representative of the City and an Authorized Officer of the Bank, to pay the Costs of Issuance of the City Project or to reimburse the Bank for amounts previously advanced for such costs; and

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

SECTION 6.09. Operation of the Rebate Fund.

(a) The Trustee is authorized to establish and maintain, so long as the Series 2022 Bond is Outstanding and is 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 2022 Bonds and investments hereunder available to the Bank and shall make deposits and disbursements from the Rebate Fund in accordance with the Arbitrage Rebate Agreement received from the Bank pursuant to Sections 5.10 and 8.02 hereof, shall invest funds in the Rebate Fund as directed by the Bank and shall deposit income from such investments immediately upon receipt thereof in the Rebate Fund. Anything in this Indenture to the contrary notwithstanding, the provision of this Section may be superseded or amended by an amended Arbitrage Rebate Agreement delivered by the Bank and accompanied by an Opinion of Bond Counsel addressed to the Trustee to the effect that the use 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 2022 Bonds.

(b) If a deposit to the Rebate Fund is required as a result of the computations made by the City pursuant to the Arbitrage Rebate Agreement, the Trustee shall upon receipt of direction from the City accept such payment for the benefit of the Bank and make transfers of monies from the General Account 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 Bank transfer such amount to the General Account. Records of the determinations required by this Section and the investment instructions must be retained by the Trustee until six (6) years after the Series 2022 Bonds are no longer Outstanding.

(c) Not later than sixty (60) days after _____, 2027, and every five (5) years thereafter, the Trustee shall pay to the United States of America ninety percent (90%) of the amount

required to be on deposit in the Rebate Fund as of such payment date as required by the Arbitrage Rebate Agreement. Not later than sixty (60) days after the final retirement of the Series 2022 Bonds, the Trustee shall pay to the United States of America the amount required to be paid under the Arbitrage Rebate Agreement. 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 2022 Bonds, if any, and a statement of the Bank summarizing the determination of the amount to be paid to the United States of America.

(d) All payments under this Section 6.09 and the Arbitrage Rebate Agreement shall be paid in accordance with the terms and provisions of the Arbitrage Rebate Agreement.

SECTION 6.10. Monies to be Held in Trust. All monies 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 monies held pursuant to the Rebate Fund and any Accounts created thereunder and except for monies 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 Bank.

SECTION 6.11. Amounts Remaining in Funds or Accounts. Any amounts remaining in any Fund or Account of the Bonds 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 as provided in Section 3.08 hereof and except for any monies owing to the Bank which will be paid to the Bank.

SECTION 6.12. Certain Verifications. The Bank and/or the Trustee from time to time may cause a firm of independent certified public accountants of national standing or other nationally recognized experts to supply the Bank and the Trustee with such information as the Bank or the Trustee may request in order to determine in a manner reasonably satisfactory to the Bank and the Trustee all matters relating to (a) the sufficiency of projected cash flow receipts and disbursements with respect to the Funds and Accounts to pay the principal of, premium, if any, 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 Bank and/or the Trustee; and (d) the rebate calculation required by Section 6.09 hereof. The Bank and/or the Trustee from time to time may also obtain an Opinion of Bond Counsel concerning post-issuance compliance with any federal legislation applicable to the Bonds. The fees of such independent certified public accountants, other nationally recognized experts and Bond Counsel shall constitute reimbursable Program Expenses.

ARTICLE VII.

LOAN SECURED BY NOTE

SECTION 7.01. Terms and Conditions of Loan. The loan of funds to the City under the terms and provisions of the Loan Agreement secured by the Note shall be according to the terms and conditions of, and upon submission of the documents required by, this Article VII.

SECTION 7.02. Loan. The Trustee shall provide the funds for the loan to the City from the Loan Account upon receipt by the Trustee of:

(a) a written direction of the Bank signed by an Authorized Officer stating to whom the proceeds of the loan are to be paid;

(b) a certificate signed by an officer of the Bank, certifying that the City, pursuant to the Loan Agreement, has executed and delivered the Note to the Bank and is obligated to make the Note Payments and to pay all fees and charges required to be paid to the Bank under the Loan Agreement, and that to the knowledge of such officer, such City is not in default under the payment terms or other material terms or provisions of any other obligations of that City;

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

(d) an Opinion of Counsel to the City in form satisfactory to the Bank and the Lender stating that the Note, the Tax Intercept Agreement and Loan Agreement constitute valid and binding obligations enforceable in accordance with their terms, subject to such enforcement limitations customarily contained in such opinions and the Note and payments under the Loan Agreement are payable as to principal, premium if any and interest out of and secured by a pledge of the City Revenues (as defined in the Loan Agreement) and Tax Monies;

(e) an executed Note, registered as to both principal, premium, if any, and interest to the Bank and delivered in accordance with the Bank Act;

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

(g) an executed Loan Agreement from the City;

(h) an executed Tax Intercept Agreement; and

(i) an amortization schedule for debt service on the Bonds.

Upon receipt of all the documents as listed above, the Trustee shall pay the loan proceeds directly to the City as specified in the directions received pursuant to subparagraph (a) above.

SECTION 7.03. Retention and Inspection of Documents. All requisitions, certificates, transcripts, Opinions of Bond Counsel, Opinions of Counsel, the Loan Agreement, the Tax Intercept Agreement and the Note received by the Trustee, as required in this Article as conditions of payment may be relied upon by and shall be retained in the possession of the Trustee, subject at all times during normal business hours to the inspection of the Bank and, after written request received by the Trustee at least five (5) Business Days prior to the date of inspection, by any owner of at least five percent (5%) in

principal amount of Outstanding Bonds. Any costs and expenses associated with such request shall be paid by the requesting bondholder.

SECTION 7.04. Report. The Trustee shall make a report to the Bank and the Lender within sixty (60) days after the delivery of the Bonds covering all receipts and all disbursements made pursuant to the provisions of this Article VII in respect of the proceeds of the Bonds deposited in the Loan Account. If requested by the Bank, said report shall be supplemented at least once every sixty (60) days by the Trustee until all of the net proceeds of the Bonds deposited in the Loan Account shall have been expended. If applicable, each such report shall be mailed by the Trustee to the Bank.

ARTICLE VIII.

INVESTMENT OF MONIES

SECTION 8.01. General Provisions.

(a) Any monies held as part of any Fund or Account created under or pursuant to Article VI hereof and the Rebate Fund shall be invested or reinvested by the Trustee as continuously as reasonably possible in such Investment Securities as may be directed by the City (such direction to be confirmed in writing). All such investments shall at all times be a part of the Fund or Account in which the monies 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 monies on deposit in the Rebate Fund or any Account created thereunder, shall be deposited as received in the General Account of the General Fund. The Trustee may make any and all such investments through its investment department or through the investment department of any financial institution which is an affiliate of the Trustee and may trade with itself or any of its affiliates in doing so. Monies in separate Funds and Accounts may be commingled for the purpose of investment or deposit. The Trustee and the Bank agree that all investments under this Indenture and all instructions of the Bank to the Trustee with respect thereto shall be made in accordance with prudent investment standards reasonably expected to produce the greatest investment yields while seeking to preserve principal without causing any of the Bonds to be arbitrage bonds as defined in Section 148 of the Code. Any investment losses shall be charged to the Fund or Account in which monies 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. Monies in any Fund or Account shall be invested in Investment Securities with a maturity date, or a redemption date determined by the owner of the Investment Securities at said owner's option, which shall coincide as nearly as practicable with times at which monies 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 of the General Fund.

(b) The Bank (1) certifies to the owners of the Bonds from time to time Outstanding that monies on deposit in any Fund or Account in connection with the Bonds, whether or not such monies 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 (2) covenants with the owners of the Bonds from time to time Outstanding that, so long as any of the Bonds remain Outstanding, monies on deposit in any Fund or Account established in connection with the Bonds, whether or not such monies 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. Arbitrage Restrictions; Bonds to Remain Tax Exempt.

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

(b) Without limiting subsection (a) of Section 8.01 hereof, the Bank 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 any Bonds, or with respect to the investment or application of any payments under the Note or any other agreement or instrument entered into in connection therewith or with the issuance of the 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 any Bonds arbitrage bonds within the meaning of such term as used in Section 148 of the Code. The Bank further agrees that it will not act in any other manner which would adversely affect the exclusion from gross income tax for federal income tax purposes of the interest on any Bonds.

ARTICLE IX.

DISCHARGE OF INDENTURE

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

Any Bond shall be deemed to be paid within the meaning of this Indenture when (a) payment of the principal of (and premium, if any, on) such Bond and interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided herein or otherwise), either (i) shall have been made or caused to have been made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee or other financial institution (which must meet the requirements of Section 11.07 hereof) which provides services as escrow agent for the Bank (for purposes of this Article, an "**Escrow Agent**"), in trust and exclusively for such payment, (A) moneys sufficient to make such payment or (B) Governmental Obligations maturing as to principal, premium, if any, and interest in such amounts and at such times, without consideration of any reinvestment thereof, as will insure the availability of sufficient moneys to make such payment, or (C) a combination of such moneys and Governmental Obligations, and (b) all necessary and proper fees and expenses of the Trustee and the Bank pertaining to the Bonds, including the amount, if any, required to be rebated to the United States of America, with respect to which such deposit is made, shall have been paid or deposited with the Trustee.

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

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

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

(c) to mail, as soon as practicable, in the manner prescribed by Article IV hereof, a notice to the owners of such Bonds satisfying the requirements thereof.

Any monies so deposited with the Trustee or the Escrow Agent as provided in this Article may at the direction of the Bank also be invested and reinvested in Governmental Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Governmental Obligations in the hands of the Trustee or the Escrow Agent 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 collected, for use and application as are other monies deposited in such Account.

No such deposit under this Article shall be made or accepted hereunder and no use 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 any of the Bonds to be treated as arbitrage bonds within the meaning of Section 148 of the Code or adversely affect for federal tax purposes the exclusion from gross income of the interest on the Bonds. Moreover, no such deposit shall be deemed a payment of such Bonds unless the Trustee shall have received a verification from an accountant or firm of accountants appointed by the Bank and acceptable to the Trustee and the Lender 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. If requested by the Trustee or the Lender, the Bank will provide proof in a form acceptable to the Trustee and the Lender of the sufficiency of the cash funds deposited as stated in the preceding sentence.

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

Upon the deposit with the Trustee or the 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 stated maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the stated maturity thereof, notice of such redemption shall have been given as hereinabove provided, or provisions satisfactory to the Trustee shall have been made for the giving of such notice, and compliance with the other payment requirements hereof, this Indenture may be discharged in accordance with the provisions hereof but the limited liability of the Bank in respect of such Bonds shall continue provided that the owners thereof shall thereafter be entitled to payment only out of the monies or Governmental Obligations deposited with the Trustee or the 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” under this Indenture:

- (a) Default in the due and punctual payment of any interest on any Bond; or
- (b) Default in the due and punctual payment of the principal or redemption premium, if any, of any Bond whether on a scheduled principal payment date, at the stated maturity thereof or on any date fixed for redemption or other acceleration prior to maturity; or
- (c) Failure of the Bank to timely remit to the Trustee within the time limits prescribed herein any monies which are required by this Indenture to be so remitted; or
- (d) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Bank contained in this Indenture or in the Bonds and failure to remedy the same within the time provided in, and after notice thereof pursuant to, Section 10.10 hereof; or
- (e) Any warranty, representation or other statement by or on behalf of the Bank contained in this Indenture or in any instrument furnished in compliance with or in reference to this Indenture is false or misleading, when made, in any material respect, and failure to remedy the same within the time provided in, and after notice thereof pursuant to, Section 10.10 hereof; or
- (f) A petition is filed against the Bank under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction whether now or hereafter in effect and is not dismissed within sixty (60) days after such filing; or
- (g) The Bank files a petition in voluntary bankruptcy or seeking relief under any provisions of any bankruptcy, reorganization, arrangement, insolvency, adjustment of debt, dissolution or liquidation law of any jurisdiction whether now or hereafter in effect, or consents to the filing of any petition against it under such law; or
- (h) The Bank is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a liquidator or trustee of the Bank or any of its property is appointed by court order or takes possession of such property and such order remains in effect or such possession continues for more than sixty (60) days; or
- (i) Default in the due and punctual payment of any interest or principal or premium, if any, on the Note; or
- (j) There is a default under, or failure to comply with a covenant in the Note and/or the City Bond Resolution;
- (k) The Bank for any reason shall be rendered incapable of fulfilling its obligations under this Indenture; or
- (l) The Bank or the City shall be dissolved; or
- (m) Any representation or certification made by the City in the City Bond Resolution or the Note 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 Note shall prove at any time to be, in any material respect, incorrect, or misleading as of the date made; or

(n) 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

(o) 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; or

(p) There is an “event of default” under the Loan Agreement.

SECTION 10.02. Remedies : Rights of Bondholders. Upon the occurrence of an Event of Default, the Trustee shall notify the owners of all Bonds 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, premium, if any, and interest on the Bonds then Outstanding, including enforcement of any rights of the Bank or the Trustee under the Note or Loan Agreement, including, but not limited to, acceleration thereof.

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

(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, and shall at the direction of the Bondholders, by written notice to the Bank, declare the principal of, premium, if any, and accrued interest on all Bonds to be due and payable immediately in accordance with this Indenture and the Act, by notice to the Bank and the City.

(e) The Trustee or Lender may require the City to transfer (and the Bank to cause the City to transfer) all amounts remaining in the Capital Improvements Fund established and held pursuant to the Loan Agreement to the Trustee for application to pay principal and interest on the Series 2022 Bonds.

Upon the occurrence of an Event of Default, (a) if requested so to do by the owners of twenty-five percent (25%) or more in aggregate principal amount of all Bonds then Outstanding, and if secured and/or indemnified as provided in Section 11.01(k) hereof, or (b) if indemnified as provided in Section 11.1(k) hereof, the Trustee shall be obligated to exercise such one or more of the rights, remedies and powers conferred by this Section as the Trustee is directed by 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. Subject to the provisions of this Indenture, including the rights of the 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.

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 Monies. All monies received by the Trustee pursuant to any right or remedy given or action taken under the provisions of this Article (including monies received by virtue of action taken under provisions of the Note or Loan Agreement or Tax Intercept Agreement) shall, after payment of the costs and expenses of the proceedings resulting in the collection of such monies and of the expenses, liabilities and advances incurred or made by Trustee and any other monies owed to Trustee hereunder, be deposited in the General Account and all monies in the General Account shall be applied as follows:

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

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

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

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

FOURTH - To the payment of any amounts owed under the Arbitrage Rebate Agreement;

FIFTH - RESERVED.

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

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 written notice to the Lender and the Bank of the deposit with it of any such monies 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, premium, if any, 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 and under the Loan Agreement and the Note 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 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 Bondholders 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 on any payment date or at and after the maturity thereof, or the limited obligation of the Bank to pay the principal of, premium, if any, and interest on each of the Bonds issued hereunder to the respective owners thereof at the time and place, from the source and in the manner expressed in the Bonds.

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 Bank, the Trustee and the Bondholders shall be restored 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 with the prior written consent of the Lender, waive any Event of Default hereunder and its consequences, and shall do so upon the written request of the 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, premium, if any, 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 (1) any Event of Default in the payment of the principal of any Outstanding Bond at the date of maturity specified therein, or (2) 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 of the payments of principal and premium, if any, when due, as the case may be, with interest on overdue principal and premium, if any, at the rate borne by such Bond, and all expenses of the Trustee in connection with such Event of Default shall have been paid or provided for, or (3) any Event of Default for nonpayment of Program Expenses; and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Bank, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver or recession shall extend to any subsequent or other Event of Default, or impair any rights consequent thereon.

SECTION 10.10. Notice of Defaults under Section 10.01(d) or (e); Opportunity of the Bank to Cure Such Defaults. 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 Bank by the Trustee or the owners of not less than twenty-five percent (25%) in aggregate principal amount of all Bonds then Outstanding and the Bank shall have had sixty (60) days after receipt of such notice to correct the Default or cause the Default to be corrected, and shall not have corrected the Default or caused the Default to be corrected within the applicable period; provided, however, if the Default be such that it is correctable but cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Bank within the applicable period and diligently pursued until the Default is corrected. If a Default is cured under this Section 10.10, then it will not constitute an Event of Default.

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

ARTICLE 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 its counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney or firm of attorneys (who may be the attorney or firm of attorneys for the Bank), 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 Bank of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights 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 Bank. Any action taken by the Trustee pursuant to this Indenture upon the request of the Bank or consent of any person who at the time of making such request or giving such consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled in good faith to rely upon a certificate signed by an Authorized Officer as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has become aware shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient but may 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 Bank to the effect that a resolution in the form therein set forth has been adopted by the Bank as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

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

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

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

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

(k) Before taking any action referred to in Section 10.02, 10.03, 10.07 or 12.02 hereof, the Trustee may require that satisfactory security and/or indemnity be furnished the Trustee for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default, by reason of any action so taken.

(l) All monies 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. The Trustee shall not be under any liability for interest on any monies received hereunder except such as may be agreed upon.

(m) The Trustee for all purposes of this Indenture shall be deemed to be aware of any Event of Default in the payment of principal, 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 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 Bank is a party and which in the opinion of the Trustee and its Counsel has a substantial bearing on the interests of the owners of the Bonds, the Trustee may intervene on behalf of the Bondholders, and shall do so if requested in writing by the owners of at least twenty-five percent (25%) of the aggregate principal amount of Bonds then Outstanding upon receiving 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 corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party ("**Reorganization**"), ipso facto shall be and become successor Trustee hereunder, if legally qualified to serve as such, and vested with all of the title to the Trust Estate and all the trusts, powers, discretions,

immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided that within thirty (30) days of the effective date of such Reorganization, the Bank may object to such corporation or association becoming successor Trustee by filing written notice of such objection with the 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 Bank and the owner of each Bond as shown by the Bond Register, and such resignation shall take effect upon the appointment of a successor Trustee in accordance with Section 11.07 hereof 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 shall be appointed.

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 Bank and signed by the 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 by resolution or other official action taken by the Bank or the Lender with such action to be filed with the Trustee and written notification of such action to be sent to the Registered Owner.

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 Bank. Nevertheless, in case of such vacancy the Bank by resolution may appoint a temporary Trustee to fill such vacancy. Within ninety (90) days after such appointment, the Bondholders may appoint a successor Trustee; and any such temporary Trustee so appointed by the Bank shall become the successor Trustee if no appointment is made by the Bondholders within such period, but in the event an appointment is made by the Bondholders, the temporary Trustee shall immediately and without further act be superseded by any Trustee so appointed by such Bondholders. Notice of the appointment of a temporary or successor Trustee shall be given in the same manner as provided by Section 11.05 hereof with respect to the resignation of the Trustee. Every such Trustee appointed pursuant to the provisions of this Section shall (a) a national banking association that is supervised by the Office of the Comptroller of Currency and has at least \$250 million of assets, or (b) a State-chartered commercial bank that is a member of the Federal Reserve System and has at least \$1 billion of assets.

SECTION 11.08. Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its or his predecessor and also to the Bank and the Lender an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the Bank, after the payment of all fees, charges and expenses which may be due and owing to such predecessor pursuant to the provisions of Section 11.02 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, monies and other property or documents held by it as Trustee hereunder to its or his successor hereunder. Should any instrument in writing from the Bank be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Bank. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed or recorded by the successor Trustee in each recording office where this Indenture shall have been filed or recorded. Notwithstanding any other provision of this Indenture, no removal, resignation, or termination of the Trustee shall take effect until a successor shall be appointed and such successor accepts the appointment as Trustee hereunder.

SECTION 11.09. 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 Bank and the Trustee may, without the consent of, or of the Bondholders but with at least 20 days prior written notice to the Lender, 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 that is not adverse to the Bondholders;

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

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

(f) In connection with issuance of Refunding Bonds.

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 Bank), shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Bank and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular manner, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section shall permit, or be construed as permitting, without the consent of the owners of all then Outstanding Bonds, (a) an extension or modification of the maturity of the principal of or the interest or redemption date or principal payment date or Interest Payment Date or call protection on any Bond issued hereunder, or (b) a reduction in the principal amount of any Bond or change in the rate of interest or redemption premium of any Bond, or (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture, or (e) the creation of any lien securing any Bonds other than a lien ratably securing all of the Bonds at any time Outstanding hereunder, or (f) any modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Trustee without the written consent of the Trustee.

If at any time the Bank shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes set forth in this Section, the Trustee shall, upon being satisfactorily secured and/or indemnified in accordance with Section 11.01(k) hereof, 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 corporate trust office of the Trustee for inspection by all Bondholders. If, within sixty (60) days, or such longer period as shall be prescribed by the Bank, following the mailing of such notice, the owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture (exclusive of Bonds held by the Bank) shall have consented to and approved the execution of such Supplemental Indenture as provided in Section 12.01 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 Bank from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

ARTICLE XIII.

RESERVED

ARTICLE XIV.

MISCELLANEOUS

SECTION 14.01. 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 (1) 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 (2) 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 14.02. 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, 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 14.03. Severability. If any provision of this Indenture shall be held or deemed to be or shall, in fact, be invalid, 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 14.04. 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 Bank to the City or the Lender shall also be given to the other. A duplicate copy of each notice required to be given hereunder by the Trustee to the Bank, or by the Bank to the Trustee, shall also be given to the Lender. The Bank, the Trustee or the Lender may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 14.05. 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 14.06. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any 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 14.07. 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 14.08. Receipt of Money or Revenues by Trustee. The Trustee is an authorized agent of the Bank for purposes of receiving money and Revenues on behalf of the Bank. It is not the intent of this Section 14.08, or any other Section of this Indenture, to create a power of attorney relationship between the Bank and the Trustee.

SECTION 14.09. Applicable Provisions of Law. This Indenture shall be governed by and construed in accordance with the laws of the State.

[Signature Page to Follow]

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

(SEAL)

MISSISSIPPI DEVELOPMENT BANK

By _____
Executive Director

ATTEST:

Secretary

_____, as Trustee

By _____
