

PRIVATE PLACEMENT AGREEMENT

This Private Placement Agreement, dated May __, 2022 (the "**Placement Agreement**"), is by and among the **MISSISSIPPI DEVELOPMENT BANK** (the "**Issuer**"), a body politic existing under the Constitution and laws of the State of Mississippi (the "**State**"), the **CITY OF PASCAGOULA, MISSISSIPPI** (the "**City**"), a local governmental unity of the State, and **RAYMOND JAMES & ASSOCIATES, INC.**, as Placement Agent (the "**Placement Agent**").

WITNESSETH:

WHEREAS, the Board of Directors of the Issuer, acting for and on behalf of the Issuer, has authorized the issuance of the Issuer's \$_____ Mississippi Development Bank Special Obligation Bonds, Series 2022 (Pascagoula, Mississippi Capital Improvements Project) (the "**Series 2022 Bonds**"), pursuant to the provisions of an Indenture of Trust dated as of May __, 2022 (the "**Indenture**"), by and between the Issuer and U. S. Bank National Association, Brandon, Mississippi, as trustee (in such capacity, the "**Trustee**"); and

WHEREAS, the proceeds of the Series 2022 Bonds will be used to provide funds to (a) fund a loan to the City under the Loan Agreement, dated May __, 2022, by and between the Issuer and the City (the "**Loan Agreement**") for the purposes (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**") and (b) paying costs of issuance for the Series 2022 Bonds, pursuant to the Loan Agreement and the Indenture and a resolution adopted by the Mayor and the Board of Aldermen of the City on May 17, 2022 (the "**Bond Resolution**"); and

WHEREAS, the Series 2022 Bonds are more fully described in the Indenture and in **SCHEDULE I** attached hereto; and

WHEREAS, the Issuer and the City have requested the Placement Agent to act as their agent in connection with the placement of the Series 2022 Bonds.

NOW, THEREFORE, for and in consideration of the covenants herein made, and upon the terms and subject to the conditions herein set forth, the parties hereto agree as follows:

Section 1. Definitions. All capitalized terms used herein and not otherwise herein defined shall have the meanings ascribed to them in the Indenture.

Section 2. Appointment of Placement Agent. Pursuant to the Indenture, the Loan Agreement, the Bond Resolution and this Placement Agreement, the Issuer and the City hereby appoint the Placement Agent as exclusive placement agent with respect to the Series 2022 Bonds, and the Placement Agent hereby accepts such appointment, with such duties as described herein and in the Indenture.

Section 3. Placement of the Series 2022 Bonds. The Placement Agent hereby agrees, as the agent of the Issuer and the City, to place the Series 2022 Bonds with _____, (the "**Lender**"), pursuant to the terms in the Lender's Term Sheet attached hereto as Schedule II. The Lender is to purchase the Bonds at a price as set forth in **SCHEDULE I** (the "**Lender's Purchase Price**").

It is understood that the purchase of the Series 2022 Bonds by the Lender is subject to (a) receipt by the Placement Agent and the Lender of an opinion of Butler Snow LLP, Ridgeland, Mississippi ("**Bond Counsel**"), to the effect that the Series 2022 Bonds constitute valid and legally binding obligations of the Issuer, and to the effect that the interest on the Series 2022 Bond is excludable from federal and State income taxation under existing laws, regulations, rulings and judicial decisions existing on the date hereof, with such exceptions as shall be required by the Internal Revenue Code of 1986, as amended; (b) delivery of

certificates in form and tenor satisfactory to Bond Counsel and the Lender evidencing (i) the proper execution and delivery of the Series 2022 Bonds and receipt of payment therefor, and (ii) certain federal and State of Mississippi tax matters related to the Series 2022 Bonds and the City Bond; (c) delivery to the Placement Agent and the Lender of a statement or opinion, as applicable, of each of the Issuer, Issuer's Counsel, the City and the City's Counsel, each dated as of the date of the issuance of the Series 2022 Bonds and the City Bond, to the effect that there is no litigation pending or, to the knowledge of the signer or signers thereof, threatened relating to the issuance, sale, validation and delivery of the Series 2022 Bonds and the City Bond, as applicable; and (d) satisfaction of other conditions specified in the Indenture, the Bond Resolution and as may be required by the Lender or Bond Counsel. The Lender shall be required to deposit immediately available funds in the amount of the Lender's Purchase Price with or as directed by the Issuer on or before May __, 2022, the date of delivery and issuance of the Series 2022 Bonds (the "**Closing Date**"). The Placement Agent will receive a placement fee of \$_____. The Series 2022 Bonds will be placed on the Closing Date with the Lender under the exemptions set forth in Rule 15c2-12 of the Securities and Exchange Commission.

The Series 2022 Bonds will be secured by the City's _____ Promissory Note (Pascagoula, Mississippi Capital Improvements Project) (the "**Note**") payable by the City to the Bank pursuant to the Loan Agreement and will be secured by legally available revenues of the City, including, without limitation, available amounts of the City's General Fund. In addition, the Bank Act and the Loan Agreement provide for the intercept of Tax Monies from the Mississippi Department of Revenue and any other State agency, department or commission created under State law if the City is deficient in its payments due under this Loan Agreement or the Note.

The Series 2022 Bonds shall be duly executed on the Issuer's behalf and authenticated by the Trustee under the Indenture in fully registered form in the principal amounts provided for in **SCHEDULE I**, registered in the name of the Lender. The Series 2022 Bonds will be made available to the Lender at least one business day prior to the Closing Date for inspection by the Lender.

Section 4. Payment to the Issuer. The Placement Agent agrees that it will, on the Closing Date, direct that the Lender transfer to the Issuer the Lender's Purchase Price, in immediately available funds. If the Lender does not deposit with or as directed by the Issuer the Lender's Purchase Price of the Series 2022 Bonds to be purchased by it or otherwise refuses to purchase the Series 2022 Bonds, the Placement Agent will use its reasonable best efforts to arrange for a substitute Lender for the Series 2022 Bonds on the terms set forth in Section 3.

Section 5. Tax Exemption. Bond Counsel will deliver an opinion to the effect that interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, rulings and court decisions

Section 6. Limitation. Nothing contained in this Placement Agreement shall obligate the Placement Agent to purchase the Series 2022 Bonds in the event the Lender fails to pay the Lender's Purchase Price of the Series 2022 Bonds or in the event the Placement Agent is unable to arrange for the purchase of the Series 2022 Bonds.

Section 7. Fees and Expenses. The Placement Agent fee set forth in Section 3 represents the total compensation due to the Placement Agent for its services under this Placement Agreement.

The City is responsible for all other expenses and fees due in connection with the sale, validation, delivery and issuance of the Series 2022 Bonds which are to be paid from the proceeds of the Series 2022 Bonds, as directed by the Issuer and the City, and pursuant to the Indenture.

Section 8. Governing Law. This Placement Agreement shall be governed by and construed in accordance with the laws of the State.

Section 9. Counterparts. This Placement Agreement may be executed in one or more counterparts, each of which shall be an original and all of which, when taken together, shall constitute but one and the same instrument.

Section 10. Binding Effect. This Placement Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns, except that no party hereto may assign any of its rights or obligations hereunder without the consent of the other party.

Section 11. Arm-Lengths Transaction. The Issuer and the City acknowledge and agree that this Placement Agreement does not constitute a guarantee by the Placement Agent to arrange the placement of the Series 2022 Bonds. It is understood that the Placement Agent's obligations under this Agreement are to use reasonable efforts throughout the term of this Placement Agreement to perform the services described herein. The Issuer and the City acknowledge and agree that the Placement Agent is being retained to act solely as placement agent for the Series 2022 Bonds, and not as an agent, advisor or fiduciary to the Issuer or the City, and that this Placement Agreement is not intended to confer rights or benefits on any member, affiliate, shareholder or creditor of the Issuer or the City or any other person or entity or to provide the Issuer or the City or any other person with any assurances that the transaction will be consummated.

The Placement Agent shall act as an independent contractor under this Placement Agreement, and not in any other capacity, including as a fiduciary. The Issuer and the City acknowledge and agree that: (i) the transaction contemplated by the Placement Agreement is an arm's length, commercial transaction between the Issuer and the City and the Placement Agent in which the Placement Agent is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or the City; (ii) the Placement Agent has not assumed any advisory or fiduciary responsibility to the Issuer or the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Placement Agent has provided other services or is currently providing other services to the Issuer and the City on other matters); (iii) the only obligations the Placement Agent has to the Issuer and the City with respect to the transaction contemplated hereby expressly are set forth in this Placement Agreement; and (iv) the Issuer and the City have consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

Section 12. Investor Letter. The Lender shall execute an Investor Letter in substance and in force satisfactory to the City and the Placement Agent.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

If you agree with the foregoing, please sign and date this Placement Agreement in the space provided below and return one copy so executed to each of the Issuer, the Placement Agent and the City, whereby this Agreement shall then become a binding agreement among such parties, as of the date first above written.

Very truly yours,

**RAYMOND JAMES & ASSOCIATES, INC.,
as Placement Agent**

Lindsey Rea, Managing Director

Accepted and agreed to as of
the date first above written:

MISSISSIPPI DEVELOPMENT BANK

By: _____
Executive Director

Executed on: _____, 2022

CITY OF PASCAGOULA , MISSISSIPPI

By: _____
Mayor

Executed on: _____, 2022

SCHEDULE I

To Private Placement Agreement
Dated: May __, 2022

SERIES 2022 BOND

Interest on the Series 2022 Bonds shall be payable on May 1 and November 1 of each year, commencing _____ through and including _____, 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 ____1, 20____ 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:

MATURITY (1)*	PRINCIPAL AMOUNT	INTEREST RATE	YIELD	PRICE

***TERM BONDS.** 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, 2022 through and including May 1, 2040 in the principal amount for each year together with accrued interest to the date of redemption as listed below, with the final principal maturity payment on March 1, 2041, in the principal amount for each year together with accrued interest to the date of redemption or maturity, as the case may be, as follows:

Year	Principal Amount

* Final Maturity.

Optional Redemption. Prior to _____, the Series 2022 Bonds are not subject to optional redemption. Beginning _____, 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.

SCHEDULE II
Lender's Term Sheet