CITY OF CLINTON
REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN
TUESDAY, MARCH 20, 2012 - 7:00 P.M.
MUNICIPAL COURTROOM – 305 MONROE STREET

WELCOME AND CALL TO ORDER Mayor Rosemary Aultman

INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG

The invocation was led by Alderman Morgan followed by the pledge of allegiance to the flag led by Alderman Cashion.

ROLL CALL City Clerk, Russell Wall

Present:
- Jehu Brabham – Alderman-at-Large
- Tony Hisaw – Alderman Ward 1
- Tony Greer – Alderman Ward 2
- William O Barnett – Alderman Ward 3
- Kathy Peace – Alderwoman Ward 4
- Mike Morgan – Alderman Ward 5
- Mike Cashion – Alderman Ward 6

APPROVAL OF CONSENT AGENDA ITEMS A - M

MOTION made by Alderman Greer and **SECONDED** by Alderwoman Peace to approve the Consent Agenda Items A-M. Item C will serve to advertise favorably the opportunities, possibilities and resources of the City of Clinton. **MOTION CARRIED UNANIMOUSLY**

APPROVE A RESOLUTION TO DIRECT THE SALE AND AWARD OF GENERAL OBLIGATION BONDS, SERIES 2012 OF THE CITY OF CLINTON MISSISSIPPI IN THE PRINCIPAL AMOUNT OF FOUR MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS ($4,250,000) FOR THE CITY TO BE DATED APRIL 1, 2012

Upon presentation by Demery Grubbs, Financial Consultant of Government Consultants, Inc., **MOTION** made by Alderman Hisaw and **SECONDED** by Alderman Brabham the board approved a resolution to direst the sale and award of General Obligation Bonds, Series 2012 of the City of Clinton Mississippi in the principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) for the City to be dated April 1, 2012. **MOTION CARRIED UNANIMOUSLY**

APPROVE A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2012 OF THE CITY OF CLINTON, MISSISSIPPI, IN THE PRINCIPAL AMOUNT OF FOUR MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS ($4,250,000) TO RAISE MONEY FOR THE PURPOSE OF PROVIDING FUNDS TO PAY FOR THE COST OF (I) ERECTING, REPAIRING, IMPROVING, ADORNING AND EQUIPPING MUNICIPAL BUILDINGS, AND PURCHASING LAND THEREFOR, IF NECESSARY; (II) ESTABLISHING, REPAIRING, IMPROVING AND EXTENDING SANITARY, STORM, DRAINAGE OR SEWERAGE SYSTEMS; (III) CONSTRUCTING, IMPROVING OR PAVING STREETS, SIDEWALKS, DRIVEWAYS, PARKWAYS, WALKWAYS OR PUBLIC PARKING FACILITIES, AND PURCHASING LAND THEREFOR, IF NECESSARY; (IV) CONSTRUCTING BRIDGES AND CULVERTS; (V) PURCHASING FIRE-FIGHTING EQUIPMENT AND APPARATUS, PROVIDING HOUSING FOR SAME, AND PURCHASING LAND THEREFOR, IF NECESSARY; (VI) PAYING THE COSTS OF ISSUING THE BONDS AND (VII) OTHER RELATED IMPROVEMENTS WITHIN THE CITY

Upon presentation by Mike Bush, Bond Attorney of Phelps Dunbar, LLC, **MOTION** made by Alderwoman Peace and **SECONDED** by Alderman Cashion the board approved a resolution authorizing and directing the issuance of General Obligation Bonds, Series 2012 of the City of Clinton, Mississippi, in the principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) to raise money for the purpose of providing funds to pay for the cost of (I) erecting, repairing, improving, adorning and equipping municipal buildings, and purchasing land therefor, if necessary; (III) establishing, repairing, improving and extending sanitary, storm, drainage or sewerage systems; (II) constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor, if necessary; (IV) constructing bridges and culverts; (V) purchasing fire-fighting equipment and apparatus, providing housing for same, and purchasing land therefor, if necessary; (VI) paying the costs of issuing the bonds and (VII) other related improvements within the City. **MOTION CARRIED UNANIMOUSLY**

APPROVAL OF A RESOLUTION AUTHORIZING AND APPROVING THE MAYOR TO EXECUTE AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH LEASING 2, INC. FOR THE PURPOSE OF LEASE-PURCHASING ONE (1) E-ONE TYPHOON CUSTOM PUMPER FOR THE FIRE DEPARTMENT

Upon presentation by Russell Wall, City Clerk, **MOTION** made by Alderman Barnett and **SECONDED** by Alderman Morgan the board approved a resolution authorizing and approving the Mayor to execute an equipment lease-purchase agreement with Leasing 2, Inc. for the purpose of lease-purchasing one (1) E-One Typhoon Custom Pumper for the Fire Department. **MOTION CARRIED UNANIMOUSLY**

RECEIVE THE CERTIFICATE OF ATTENDANCE FROM TAMRA MORGAN FOR ATTENDING THE MUNICIPAL COURT CLERKS STATEWIDE SPRING SEMINAR HELD MARCH 8, 2012 THROUGH MARCH 9, 2012

Upon presentation by Russell Wall, City Clerk, **MOTION** made by Alderman Brabham and **SECONDED** by Alderman Morgan the board received the Certificate of Attendance from Tamra Morgan for attending the Municipal Court Clerks Statewide Spring Seminar held March 8, 2012 through March 9, 2012. **MOTION CARRIED UNANIMOUSLY**

ADJOURN 7:12 P.M.

MOTION made by Alderman Brabham and **SECONDED** by Alderwoman Peace to adjourn until the next regular meeting of the Mayor and Board of Aldermen to be held April 3, 2012 at 7:00 p.m. **MOTION CARRIED UNANIMOUSLY**

APPROVED: Rosemary G. Aultman — March 21, 2012
Rosemary G. Aultman, Mayor — Date

ATTEST: Russell Wall — March 21, 2012
Russell L. Wall, City Clerk — Date

CITY OF CLINTON OFFICIAL SEAL MISSISSIPPI

BOARD APPROVED

MAR 20 2012

Revised Date: 09/08/2010

CITY OF CLINTON

RENTAL AGREEMENT
FOR USE BY MISSISSIPPI DEPARTMENTS
AND VENDORS
(applicable to equipment rental transactions)

The Agreement is entered into by and between ___City of Clinton_______(hereinafter referred to as "Customer"), and **IKON Office Solutions** (hereinafter referred to as "Vendor"). This Agreement becomes effective upon signature by Customer and Vendor, and shall take precedence over all agreements and understandings between the parties. Vendor, by its acceptance hereof, agrees to rent to Customer, and Customer, by its acceptance hereof, agrees to rent from Vendor, the equipment, including applicable software and services to render it continually operational, listed in Exhibit A, which is attached hereto and incorporated herein.

1. CUSTOMER ACCOUNT ESTABLISHMENT

A. A separate Vendor Customer Number will be required for each specific customer/installation location.

B. The Customer is identified as the entity on the first line of the "bill-to" address. All invoices and notices of changes will be sent to the "bill-to" address.

C. "Ship-to" and/or "Installed-at" address is the location to which the initial shipment of equipment/supplies will be made and the address to which service representatives will respond. Subsequent shipments of supplies for installed equipment will also be delivered to the "installed-at" address unless otherwise requested.

D. Unless creditworthiness for this Customer Number has been previously established by Vendors, Vendor's Credit Department may conduct a credit investigation for this Order. Notwithstanding delivery of equipment, Vendor may revoke this Order by written notice to the Customer if credit approval is denied within thirty (30) days after the date this Rental Agreement is accepted for Vendor by an authorized representative.

2. EQUIPMENT SELECTION, PRICES, AND AGREEMENT: The Customer has selected and Vendor agrees to provide the equipment, including applicable software and services to render it continually operational, identified on Exhibit A attached to this Rental Agreement. The specific prices, inclusive of applicable transportation charges, are as set forth on the attached Exhibit A. The parties understand and agree that the Customer is exempt from the payment of taxes.

3. SHIPPING AND TRANSPORTATION: Vendor agrees to pay all non-priority, ground shipping, transportation, rigging and drayage charges for the equipment from the equipment's place of manufacture to the installation address of the equipment as specified under this Agreement. If any form of express shipping method is requested, it will be paid for by Customer.

4. RISK OF LOSS OR DAMAGE TO EQUIPMENT: While in transit, Vendor shall assume and bear the entire risk of loss and damage to the equipment from any cause whatsoever. If, during the period the equipment is in Customer's possession, due to gross negligence of the customer, the equipment is lost or damaged, then, the customer shall bear the cost of replacing or repairing said equipment.

5. DELIVERY, INSTALLATION, ACCEPTANCE, AND RELOCATION:

A. DELIVERY: Vendor shall deliver the equipment to the location specified by Customer and pursuant to the delivery schedule agreed upon by the parties. If, through no fault of the Customer, Vendor is unable to deliver the equipment or software, the prices, terms and conditions will remain unchanged until delivery is made by Vendor. If, however, Vendor does not deliver the equipment or software within ten (10) working days of the delivery due date, Customer shall have the right to terminate the order without penalty, cost or expense to Customer of any kind whatsoever.

B. INSTALLATION SITE: At the time of delivery and during the period Vendor is responsible for maintenance of the equipment, the equipment installation site must conform to Vendor's published space, electrical and environmental requirements; and the Customer agrees to provide, at no charge, reasonable access to the equipment and to a telephone for local or toll free calls.

C. INSTALLATION DATE: The installation date of the equipment shall be that date as is agreed upon by the parties, if Vendor is responsible for installing the equipment.

D. ACCEPTANCE: Unless otherwise agreed to by the parties, Vendor agrees that Customer shall have ten (10) working days from date of delivery and installation, to inspect, evaluate and test the equipment to confirm that it is in good working order.

E. RELOCATION: Customer may transfer equipment to a new location by notifying Vendor in writing of the transfer at least thirty (30) calendar days before the move is made. If Vendor is responsible for maintenance of the equipment, this notice will enable Vendor to provide technical assistance in the relocation efforts, if needed, as well as to update Vendor's records as to machine location. There will be no cessation of rental charges during the period of any such transfer. The Vendor's cost of moving and reinstalling equipment from one location to another is not included in this Agreement, and Customer agrees to pay Vendor, after receipt of invoice of Vendor's charges with respect to such moving of equipment, which will be billed to Customer in accordance with Vendor's standard practice then in effect for commercial users of similar equipment or software.

6. RENTAL TERM: The rental term for each item of equipment shall be that as stated in the attached Exhibit A. If the customer desires to continue renting the equipment at the expiration of the original rental agreement, the customer must enter into a new rental agreement which shall be separate from this agreement. There will be no automatic renewals allowed. There shall be no option to purchase.

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CITY OF CLINTON

7. OWNERSHIP: Unless the Customer has obtained title to the equipment, title to the equipment shall be and remain vested at all times in Vendor or its assignee and nothing in this Agreement shall give or convey to Customer any right, title or interest therein, unless purchased by Customer. Nameplates, stencils or other indicia of Vendor's ownership affixed or to be affixed to the equipment shall not be removed or obliterated by Customer.

8. PAYMENTS:

A. INVOICING AND PAYMENTS: The charges for the equipment, software or services covered by this Rental Agreement are specified in the attached Exhibit A. Charges for any partial month for any item of equipment shall be prorated based on a thirty (30) day month. Vendor shall submit an invoice with the appropriate documentation to Customer. Customer agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies," Sections 31-7-301, et. seq. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment by Customer within forty-five (45) days of the date the invoice is received and the goods are inspected and accepted.

B METER READINGS: If applicable, the Customer shall provide accurate and timely meter readings at the end of each applicable billing period on the forms or other alternative means specified by Vendor. Vendor shall have the right, upon reasonable prior notice to Customer, and during Customer's regular business hours, to inspect the equipment and to monitor the meter readings. If Customer meter readings are not received in the time to be agreed upon by the parties, the meter readings may be obtained electronically or by other means or may be estimated by Vendor subject to reconciliation when the correct meter reading is received by Vendor.

C. COPY CREDITS: If applicable, if a copier is being rented, the Customer will receive one (1) copy credit for each copy presented to Vendor which, in the Customer's opinion, is unusable and also for each copy which was produced during servicing of the equipment. Copy credits will be issued only if Vendor is responsible for providing equipment services or maintenance services (except time and materials maintenance). Copy credits will be reflected on the invoice as a reduction in the total copy volume, except for run length plans which will be credited at a specific copy credit rate as shown on the applicable price list.

9. USE OF EQUIPMENT: Customer shall operate the equipment according to the manufacturer's specifications and documented instructions. Customer agrees not to employ or use additional attachments, features or devises on the equipment or make changes or alterations to the equipment covered hereby without the prior written consent of Vendor in each case, which consent shall not be unreasonably withheld.

10. MAINTENANCE SERVICES, EXCLUSIONS, AND REMEDIES:

A. SERVICES: If Vendor is responsible for providing equipment services, maintenance services (except for time and materials), or warranty services: (1) Vendor shall install and maintain the equipment and make all necessary adjustments and repairs to keep the equipment in good working order. (2) Parts required for repair may be used or reprocessed in accordance with Vendor's specifications and replaced parts are the property of Vendor, unless otherwise specifically provided on the price lists. (3) Services will be provided during Customer's usual business hours. (4) If applicable, Customer will permit Vendor to install, at no cost to Customer, all retrofits designated by Vendor as mandatory or which are designed to insure accuracy of meters.

B. EXCLUSIONS: The following is not within the scope of services: (1) Provision and installation of optional retrofits. (2) Services connected with equipment relocation. (3) Installation/removal of accessories, attachments or other devises. (4) Exterior painting or refinishing of equipment. (5) Maintenance, installation or removal of equipment or devices not provided by Vendor. (6) Performance of normal operator functions as described in applicable Vendor operator manuals. (7) Performance of services necessitated by accident; power failure; unauthorized alteration of equipment or software; tampering; service by someone other than Vendor; causes other than ordinary use; interconnection of equipment by electrical, or electronic or mechanical means with non-compatible equipment, or failure to use operating system software. If Vendor provides, at the request of the Customer, any of the services noted above, the Customer may be billed by Vendor at a rate not to exceed the Master State Prices Agreement between the Vendor and the State of Mississippi, or in the absence of such agreement at the then current time and materials rates.

C. REMEDIES: If during the period in which Vendor is providing maintenance services, Vendor is unable to maintain the equipment in good working order, Vendor will, at no additional charge, provide either an identical replacement or another product that provides equal or greater capabilities.

11. HOLD HARMLESS: Vendor agrees that it will, and hereby does, indemnify, defend and hold harmless Customer from and against any and all claims, damages, losses, costs and expenses of every kind and nature, including court costs and attorney fees and claims for damages resulting from or arising out of any infringement claim or claim of bodily injury, death or damage to real or tangible personal property caused by Vendor and/or its partners, principals, agents, employees or subcontractors in the performance of this Agreement. Customer will promptly notify Vendor in writing of any claim to be indemnified hereunder, of which Customer has knowledge, and Vendor in turn will promptly notify Customer of any such claim. Vendor shall, at its sole expense, control the defense of such suit to the extent allowed by Mississippi law. The parties agree to cooperate with one another in the defense of any such matter.

12. ALTERATIONS, ATTACHMENTS, AND SUPPLES:

A. If Customer makes an alteration, attaches a device or utilizes a supply item that increases the cost of services, Vendor will either propose an additional service charge or request that the equipment be returned to its standard configuration or that use of the supply item be discontinued. If, within five (5) days of such proposal or request, Customer does not remedy the problem or agree in writing to do so within a reasonable amount of time, Vendor shall have the right to terminate this Agreement as provided herein. If Vendor believes that an alteration, attachment or supply item affects the safety of Vendor personnel or equipment users, Vendor shall notify Customer of the problem and may withhold maintenance until the problem is remedied.

B. Unless Customer has obtained title to the equipment free and clear of any Vendor security interest, Customer may not remove any ownership identification tags on the equipment or allow the equipment to become fixtures to real property.

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MAR 20 2012

CITY OF CLINTON

13. <u>ASSIGNMENT</u>:

A. <u>BY CUSTOMER</u>: Without the prior consent of Vendor, which consent shall not be unreasonably withheld, Customer shall not (1) assign, transfer or pledge all or any part of this Agreement or software licensed by Vendor, or (2) resell, lease, lend or permit a lien or encumbrance of any kind against the equipment unless Customer has obtained title to the equipment free and clear of any Vendor security interest.

B. <u>BY VENDOR</u>: Vendor shall not assign its rights or delegate its duties hereunder without the prior written consent of Customer, which consent shall not be unreasonably withheld.

14. <u>GOVERNING LAW</u>: This Agreement shall be construed and governed in accordance with the laws of the State of Mississippi and venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi. Vendor expressly agrees that under no circumstances shall Customer be obligated to pay an attorneys fee or the cost of legal action to Vendor. Notwithstanding any other provisions of this Agreement between the parties, all activities and performances of the parties with respect to the equipment, software or services herein shall be subject to all applicable laws, regulations, policies and procedures of the United States of America, or any agency thereof, the State of Mississippi or any agency thereof, or any local governments or political subdivisions that may affect the performance of services hereunder.

15. <u>NOTICE</u>: Any notice required or permitted to be given under this Agreement shall be in writing and sent by certified United States mail, postage prepaid, return receipt requested, to the party to whom the notice should be given at their usual business address. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other of any change of address.

16. <u>WAIVER</u>: Failure of either party hereto to insist upon strict compliance with any of the terms, covenants, and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of this Agreement.

17. <u>CAPTIONS</u>: The captions or headings in this Agreement are for convenience only, and in no way define, limit or describe the scope or intent of any provision or section of this Agreement.

18. <u>SEVERABILITY</u>: If any term or provision of this Agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

19. <u>THIRD PARTY ACTION NOTIFICATION</u>: Vendor shall give Customer prompt notice in writing of any action or suit filed, and prompt notice of any claim made against Vendor by any entity that may result in litigation related in any way to this Agreement.

20. <u>AUTHORITY TO CONTRACT</u>: Vendor warrants that it is a validly organized business with valid authority to enter into this Agreement. That entry into and performance under this Agreement is not restricted or prohibited by any loan, security, financing, contractual or other agreement of any kind, and notwithstanding any other provision of this Agreement to the contrary, that there are no existing legal proceedings, or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Agreement.

21. <u>RECORD RETENTION AND ACCESS TO RECORDS</u>: Vendor shall maintain and make available to Customer, any financial records, supporting documents, statistical records and all other records pertinent to the services performed under this Agreement. These records shall be maintained for at least three (3) years; however, if any litigation or other legal action, by or on behalf of the State has begun that is not completed at the end of the three (3) year period, or if audit findings, litigation or other legal action has not been resolved at the end of the three (3) year period, the records shall be retained until resolution.

22. <u>EXTRAORDINARY CIRCUMSTANCES</u>: If either party is rendered unable, wholly or in part, by reason of strikes, accidents, acts of God, weather conditions or any other acts beyond its control and without its fault or negligence to comply with any obligations or performance required under this Agreement, then such party shall have the option to suspend its obligations or performance hereunder until the extraordinary performance circumstances are resolved. If the extraordinary performance circumstances are not resolved within a reasonable period of time, however, the non-defaulting party shall have the option, upon prior written notice, of terminating the Agreement.

23. <u>TERMINATION</u>: This Agreement may be terminated as follows: (a) Customer and vendor mutually agree to the termination, or (b) If either party fails to comply with the terms and conditions of this Agreement and that breach continues for thirty (30) days after the defaulting party receives written notice from the other party, then the non-defaulting party has the right to terminate this Agreement. The non-defaulting party may also pursue any remedy available to it in law or in equity. Upon termination, all obligations of Customer to make payments required hereunder shall cease.

24. <u>AVAILABILITY OF FUNDS</u>: It is expressly understood and agreed that the fulfillment of the conditions of this agreement by Customer is conditioned upon the receipt of governmental funding. If the funds anticipated for the fulfillment of this Agreement are, at any time, not forthcoming or insufficient, Customer shall have the right to terminate this Agreement, without damage, penalty, cost or expense to Customer of any kind whatsoever.

25. <u>MODIFICATION OR RENEGOTIATION</u>: This Agreement may be modified only by written agreement signed by the parties hereto. The parties agree to renegotiate the Agreement if federal and/or state revision of any applicable laws or regulations make changes in this Agreement necessary.

26. <u>WARRANTIES</u>: Vendor warrants that the equipment, when operated according to the manufacturer's specifications and documented instructions, shall perform the functions indicated by the specifications and documented literature. Vendor may be held liable for any damages caused by failure of the equipment to function according to specifications and documented literature published by the manufacturer of the equipment. The State may be held liable for any damages caused by failure to operate the equipment according to the specifications and documented instructions.

27. E-VERIFY COMPLIANCE: Contractor/Seller represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act (Senate Bill 2988 from the 2008 Regular Legislative Session) and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Contractor/Seller agrees to maintain records of such compliance and, upon request of the State, to provide a copy of each such verification to the State. Contractor/Seller further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi. Contractor/Seller understands and agrees that any breach of these warranties may subject Contractor/Seller to the following: (a) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (b) the loss of any license, permit, certification or other document granted to Contractor/Seller by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. In the event of such termination/cancellation, Contractor/Seller would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

28. HARD DRIVE SECURITY: The manufacturer or dealer that rented the equipment to the entity must properly format or overwrite the hard drive, deleting all information, or replace the hard drive with a new hard drive prior to storing or re-selling the equipment. If they choose, agencies may also request to retain the hard drive for a nominal fee. The vendor will supply written notification to the renting agency that all data has been made inaccessible. This notification must be provided within 45 days of the equipment being returned to the vendor.

29. ENTIRE AGREEMENT: This agreement constitutes the entire agreement of the parties with respect to the equipment, software or services described herein and supersedes and replaces any and all prior negotiations, understandings and agreements, written or oral, between the parties relating hereto. No terms, conditions, understandings, usages of the trade, course of dealings or agreements, not specifically set out in this Agreement or incorporated herein, shall be effective or relevant to modify, vary, explain or supplement this Agreement.

For the faithful performance of the terms of this Agreement, the parties have caused this Agreement to be executed by their undersigned representatives.

Witness my signature this the __________ day of ______________, 2012.

Vendor: **IKON Office Solutions**

By: ______________________________
Authorized Signature

Printed Name: ______________________

Title: ______________________

WITNESS:

____

____

Witness my signature this the 21st day of MARCh, 2012.

~~State of M~~ississippi: City of Clinton

By: Rosemary G. Aultman
Authorized Signature

Printed Name: ROSEMARY G AULTMAN

Title: MAYOR

WITNESS: Russell Wall

RUSSELL WALL

City Clerk

CITY OF CLINTON OFFICIAL SEAL MISSISSIPPI

BOARD APPROVED

MAR 2 0 2012

CITY OF CLINTON

Revised Date: 09/08/2010

EXHIBIT "A"
RENTAL AGREEMENT
FOR USE BY
MISSISSIPPI DEPARTMENTS AND VENDORS
(Applicable to Equipment Rental Transactions)

The following, when signed by the Customer and the Vendor shall be considered to be a part of the rental agreement between the parties.

Vendor Company Name: **IKON Office Solutions**

Customer Agency Name: **City of Clinton**

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MAR 20 2012

CITY OF CLINTON

Bill to Address: City of Clinton
PO Box 156
Clinton, MS 39056

Ship to Address: City of Clinton
1234 Clinton-Raymond Rd.
Clinton, MS 39056
Attn: Barry Burnside

Description of Equipment, Software, or Services	Price
1 MP 3351SP	$133.00/mo.
B/W cost per copy @$0.0127	
Includes parts, labor & toner	
Does not include paper or staples	

Delivery Schedule and Installation Date:

Rental Term: Number of Months: 48 Start Date 5/2012 End Date 4/2016

Solicitation # is for billing purposes only.

Modifications:

Vendor Signature

Rosemary G. Aultman
Customer Signature

The Mayor and Board of Aldermen (the "Governing Body") again took up for consideration the matter of the sale of the General Obligation Bonds, Series 2012, of the City of Clinton, Mississippi, in the principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) (the "Bonds") heretofore authorized by the Governing Body. The city clerk (the "Clerk") reported that pursuant to that certain resolution adopted by the Governing Body on March 6, 2012, the Clerk did cause to be published in *The Clarion Ledger*, a newspaper having general circulation in the City of Clinton, Mississippi, a Notice of Bond Sale, on March 8 and 15, 2012, in the form set forth in said resolution, stating that sealed proposals for the purchase of the Bonds would be received by the Governing Body at the Office of the Clerk of the City of Clinton, in the City Hall in Clinton, Mississippi, until the hour of four o'clock (4:00) p.m. Central Standard Time on Tuesday, the 20th day of March, 2012, and the Clerk presented to the Governing Body the newspaper publisher's affidavit making proof of publication of said notice; and that at the hour of four o'clock (4:00) p.m. Central Standard Time on Tuesday, the 20th day of March, 2012, and pursuant to the Notice of Bond Sale, there had been filed with the Clerk, at or prior to said hour on said date, six (6) sealed proposal(s) for the purchase of the Bonds of the City of Clinton, Mississippi. Thereupon, the Clerk proceeded to open the six (6) sealed proposal(s) for the Bonds and to read the same aloud in the presence and hearing of the Governing Body and of the bidders and other persons assembled, which are summarized as follows:

NAME OF BIDDER FOR THE BONDS	GROSS AMOUNT OF INTEREST	AVERAGE ANNUAL INTEREST RATE
FTN Financial Capital Markets	$1,435,730.00	2.790263%
Morgan Keegan	1,555,581.25	2.916211
Duncan Williams, Inc.	1,507,800.00	2.930327
Piper Jaffray	1,610,200.00	3.074786
Crews & Associates	1,704,618.75	3.26844
Stephens, Inc.	1,719,170.00	3.340929

Thereafter, at the scheduled meeting of the Governing Body at seven o'clock (7:00) p.m. Central Standard Time at the City Hall, the Clerk then and there presented said proposals to the Governing Body for discussion. Following the reading of the proposals, the Governing Body proceeded to consider them for the purpose of determining which was the best and most advantageous bid that might have been submitted. Whereupon, Alderman Hisaw offered and moved the adoption of the following resolution:

RESOLUTION TO DIRECT THE SALE AND AWARD OF GENERAL OBLIGATION BONDS, SERIES 2012 OF THE CITY OF CLINTON MISSISSIPPI, IN THE PRINCIPAL AMOUNT OF FOUR MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS ($4,250,000) FOR THE CITY, TO BE DATED APRIL 1, 2012.

WHEREAS, the Mayor and Board of Aldermen of the City of Clinton, Mississippi, (the "Governing Body" of the "City") on the 6th day of March, 2012, did adopt a certain resolution directing that General Obligation Bonds, Series 2012, in the principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) for the City to be offered for sale on sealed bids to be received by the Governing Body at the office of the Clerk in the City Hall, in Clinton, Mississippi, until the hour of four o'clock (4:00) p.m. Central Standard Time on Tuesday, the 20th day of March, 2012; and

WHEREAS, as directed by said resolution and as required by Section 31-19-25, Mississippi Code of 1972, as amended, the Clerk did give notice of the sale of the Bonds by publication of Notice of Bond Sale, in the form set forth in said resolution in *The Clarion Ledger*, a newspaper published and having general circulation in the City, which notice was published in said newspaper at least two (2) times, on March 8 and 15, 2012, the first publication having been made at least ten (10) days preceding the 20th day of March, 2012, as evidenced by the newspaper publisher's proof of publication thereof heretofore presented to the Governing Body and filed with the Clerk of the City; and

WHEREAS, the Governing Body did cause to be delivered to approximately thirty-eight (38) commercial and investment banking firms in Mississippi, Tennessee, Arkansas and elsewhere notice of the sale of the Bonds by mailing to them the Preliminary Official Statement regarding the Bonds to which was attached a Notice of Bond Sale in the form set forth in said resolution; and

WHEREAS, the Governing Body did receive the bids in the Clerk's office at the City Hall, in Clinton, Mississippi, at or before the hour of four o'clock (4:00) p.m. Central Standard Time on Tuesday, the 20th day of March, 2012; and

WHEREAS, at which time and place six (6) sealed proposal(s) for the purchase of the Bonds were received; and

WHEREAS, after examination and consideration of the bids, the Governing Body does now find and determine that the best bid made for the Bonds which contained the lowest net interest cost was made by FTN Financial Capital Markets, and that said proposal to purchase the Bonds was accompanied by a check payable to the City of Clinton, Mississippi, in an amount of Eighty Five Thousand Dollars ($85,000), issued or certified by a bank located in the State of Mississippi, as a guaranty that the bidder would carry out its contract and purchase the Bonds if its bid be accepted; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF CLINTON, MISSISSIPPI, AS FOLLOWS:

SECTION 1. That the Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) General Obligation Bonds, Series 2012, of the City, bearing date of April 1, 2012, shall be and the same are hereby awarded and sold to FTN Financial Capital Markets in accordance with the offer submitted to the Governing Body in words and figures as follows:

[Entire Winning Bid is inserted following this page.]

BID FORM

$4,250,000
GENERAL OBLIGATION BONDS, SERIES 2012
OF THE CITY OF CLINTON, MISSISSIPPI

March 20, 2012

Mayor and Board of Aldermen
City of Clinton, Mississippi
300 Jefferson Street
Post Office Box 156
Clinton, Mississippi 39060-0156

Ladies and Gentlemen:

We offer to pay $4,250,000 plus accrued interest from the date on the Bonds (hereinafter defined) to the date of delivery, plus premium of $ None , for the Six Million Dollars ($4,250,000) principal amount General Obligation Bonds, Series 2012, dated April 1, 2012 (the "Bonds"), of the City of Clinton, Mississippi (the "City"), as described in the Notice of Bond Sale dated March 6, 2012, maturing and bearing interest as follows:

YEAR (April 1 Maturity)	PRINCIPAL AMOUNT	INTEREST RATE
2013	$ 105,000	3.40
2014	110,000	
2015	155,000	
2016	160,000	
2017	165,000	
2018	175,000	
2019	180,000	
2020	190,000	
2021	195,000	
2022	205,000	
2023	210,000	2.40
2024	220,000	
2025	230,000	

2026	235,000	2.50
2027	245,000	2.60
2028	255,000	2.70
2029	265,000	2.75
2030	305,000	
2031	315,000	
2032	330,000	

Based upon the interest rate or rates specified above, we compute:

gross interest cost to the City $ 1,435,730.00,

(deducting premium of $ None, if any)

net interest cost $ 1,435,730.00,

and the average annual net interest rate from the date of the Bonds to their respective maturities to be 2.790263 %.

If there is any discrepancy between the actual interest cost computed upon the rate or rates of interest above specified and the interest cost or average rate hereinabove set forth, the interest rate or rates above specified and the actual interest cost or average interest rate computed upon said rate or rates shall prevail.

Both principal of and interest on the Bonds will be payable at a place to be designated by the undersigned, subject to the approval of the City.

A (cashier's check) (certified check) (bank exchange), issued or certified by a bank located in the State of Mississippi and payable to the order of the City of Clinton, Mississippi, in the amount of Eighty-five Thousand Dollars ($85,000) accompanies this proposal as a guarantee that we will carry out this contract and accept delivery of the Bonds if this proposal is accepted, which shall be returned to the undersigned (1) if this bid be not accepted or (2) if the City should fail to deliver the Bonds to the undersigned in accordance with the terms of this proposal, or applied as and for liquidated damages in the event that the undersigned fails to take up and pay for the Bonds.

This proposal is submitted subject to all the terms and conditions of the Notice of Bond Sale, dated March 6, 2012, which by reference is hereby made a part of this bid.

BIDDER: FTN Financial Capital Markets

BY: Henry Herren
Henry Herren

TITLE: VP, Municipal Underwriting
800.456.5460, x8006

Associates (if any):

BankPlus

Return of good faith deposit hereby acknowledged.

DATE: ______________________

BY: ______________________

ACCEPTANCE

The above proposal accepted by resolution of the City of Clinton, Mississippi, and receipt of the within mentioned check is hereby acknowledged.

DATE: MARCH 20, 2012

BY: Rosemary G. Aultman
ROSEMARY G. AULTMAN, MAYOR

PD.6024486.1

SECTION 2. That the Mayor and Clerk be and they are hereby authorized and directed to endorse upon the aforesaid offer a suitable notation in evidence of the acceptance thereof for and on behalf of the City.

SECTION 3. That the good faith check filed by the successful bidder be retained by the City as a guaranty that such bidder will carry out the contract and purchase the Bonds, provided, that if such successful bidder fails to purchase the Bonds pursuant to its bid and contract, the amount of such good faith check for the Bonds of the City shall be retained by the City and shall be paid into the treasury of the City as liquidated damages for such failure.

SECTION 4. That the Governing Body hereafter, by proper resolution, shall provide for the preparation, execution, and delivery of the Bonds in accordance with the terms of the aforesaid contract.

SECTION 5. That the Clerk shall return each good faith check to each unsuccessful bidder upon receiving an executed receipt of such bidders acknowledging receipt of the return of each good faith check.

Alderman Brabham seconded the motion to adopt the foregoing resolution after the same had been read and considered section by section, and, being put to a roll call vote, the result was as follows:

Alderman Jehu Brabham voted:	AYE
Alderman Tony Hisaw voted:	AYE
Alderman Tony Greer voted:	AYE
Alderman Bill Barnett voted:	AYE
Alderwoman Kathy Peace voted:	AYE
Alderman Mike Morgan voted:	AYE
Alderman Mike Cashion voted:	AYE

The motion having received the affirmative vote of a majority of all of the Aldermen present, the Mayor declared the motion carried and the Resolution adopted on this the 20th day of March, 2012.

CITY OF CLINTON, MISSISSIPPI

By: Rosemary G. Aultman
ROSEMARY G. AULTMAN, MAYOR

ATTEST:

Russell L. Wall
RUSSELL L. WALL, CITY CLERK

CITY OF CLINTON OFFICIAL SEAL MISSISSIPPI

PD.6092990.2

NOTICE OF BOND SALE

$4,250,000 GENERAL OBLIGATION BONDS

SERIES 2012

CITY OF CLINTON, MISSISSIPPI

Sealed proposals for the above-referenced bond issue will be received pursuant to this notice. The issue is for the City of Clinton, Mississippi (the "City") and will be in the principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) (the "Bonds").

Sealed proposals will be received by the Mayor and Board of Aldermen of the City (the "Governing Body"), at the office of the City Clerk of the City of Clinton, Mississippi, located in the City Hall, 300 Jefferson Street, Clinton, Mississippi, until the hour of 4:00 o'clock p.m., Central Time, on Tuesday, the 20th day of March, 2012, at which time the Clerk will open and publicly read all such bids received. At 7:00 p.m. that evening, all such bids will be presented to the Governing Body at its regular meeting, for the purchase, at not less than par and accrued interest, of the above referenced Bonds of the City and to award the sale of the Bonds to the successful bidder.

The issue will consist of $4,250,000 general obligation bonds for the purpose of providing funds to pay for the cost of (i) erecting , repairing, improving, adorning and equipping municipal buildings, and purchasing land therefor, if necessary; (ii) establishing, repairing, improving and extending sanitary, storm, drainage or sewerage systems; (iii) constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor, if necessary; (iv) constructing bridges and culverts; (v) purchasing fire-fighting equipment and apparatus, providing housing for same, and purchasing land therefor, if necessary; (vi) paying the costs of issuing the bonds and (vii) other related improvements within the City, and (vi) paying the costs of issuance of the Bonds, as authorized by the Governing Body of the City on February 7, 2012, and will be issued pursuant to Sections 21-33-301 et seq., Mississippi Code of 1972, as amended, and pursuant to a bond resolution to be adopted by the Governing Body.

The Bonds shall be fully registered without coupons, bear a date of April 1, 2012, be of the denomination of Five Thousand Dollars ($5,000) each or any integral multiple thereof not to exceed the principal amount of Bonds maturing in each respective year, shall mature and be payable on April 1 of each year commencing on April 1, 2013, and shall bear interest at a rate or rates to be determined pursuant to sale of said Bonds, payable semi-annually on April 1 and October 1 in each year commencing on April 1, 2013. Both principal of and interest on said Bonds will be payable at a bank within the State of Mississippi, to be designated as hereinafter provided.

The Bonds shall mature serially in each of the years, as follows:

YEAR (April 1 Maturity)	PRINCIPAL AMOUNT
2013	$105,000
2014	$110,000
2015	$155,000
2016	$160,000
2017	$165,000
2018	$175,000
2019	$180,000
2020	$190,000
2021	$195,000
2022	$205,000
2023	$210,000
2024	$220,000
2025	$230,000
2026	$235,000
2027	$245,000
2028	$255,000
2029	$265,000
2030	$305,000
2031	$315,000
2032	$330,000

Bonds maturing on April 1, 2023, and thereafter are subject to redemption prior to their stated maturity, either in whole or in part, in inverse order of maturity and by lot within maturity on April 1, 2022, and on the first day of any month thereafter, at par plus accrued interest to the date of redemption upon giving the registered owners of the Bonds thirty (30) days' prior written notice of such redemption.

Bidders for the Bonds are requested to designate in their bids the price they will pay for bonds bearing interest at a rate or rates to be designated in their bids for the Bonds. No bond shall bear more than one rate of interest; each bond shall bear interest from its stated maturity date at the interest rate specified in the bid; all bonds of the same maturity shall bear the same rate of interest from date to maturity; the lowest interest rate specified for any bond shall not be less than seventy percent (70%) of the highest interest rate specified for any bond; and the interest rate appearing on any bond shall not exceed eleven percent (11%). Each interest rate specified in any bid must be in multiples of one-eighth of one percent (1/8 of 1%) or one-tenth of one percent (1/10 of 1%), and a zero rate of interest cannot be named.

The Bonds will be general obligations of the City and will be secured by the full faith, credit and taxing power of the City and will be paid by a special tax levy upon all taxable property within the City in an amount which shall be sufficient to pay the principal and interest on the bonds as each respectively becomes due.

The City reasonably expects to issue no more than $10,000,000 in tax-exempt obligations during calendar year 2012; therefore, the Bonds will be designated as "qualified tax exempt obligations" within the meaning and as authorized by Section 265(b)(3) of the Internal Revenue Code of 1986.

The City will covenant in its bond resolution that if Rule 15c2-12, as amended, of the Securities and Exchange Commission is determined to be applicable to the Bonds, that the City will deliver or cause to be delivered, commencing with the fiscal year of the City ending September 30, 2012, (i) to each person requesting same, financial information relating to the City, including audited financial statements of the City, and (ii) to the Electronic Municipal Market Place Access System ("EMMA"), within the meaning of Rule 15c2-12, and certain other entities described in Rule 15c2-12 (said repository and other entities are collectively referred to as the "Repositories"), notice of any material events relating to the Bonds and the City, if the City deems such events to be material as set forth under Rule 15c2-12, as amended. Compliance with Rule 15c2-12 will be effected through execution and delivery of a Continuing Disclosure Certificate. If applicable, anyone requesting information under the continuing disclosure requirements of Rule 15c2-12, as

F OF PUBLICATION
ATE OF MISSISSIPPI
INDS COUNTY

PAST

C7110
PHELP
020039
Clinton

PERSONALLY appeared before me, the undersigned notary public in and for Hinds County, Mississippi,

ANN MIDDEKE

an authorized clerk of THE CLARION-LEDGER, a newspaper as defined and prescribed in Sections 13-3-31 and 13-3-32, of the Mississippi Code of 1972, as amended, who, being duly sworn, states that the notice, a true copy of which is hereto attached, appeared in the issues of said newspaper as follows:

3/8/2012
3/15/2012

Size: 1,853 words / 2.00 col. x 224.00 lines
Published: 2 time(s)
Total: $419.66

Signed Ann Middeke
Authorized Clerk of
The Clarion-Ledger

SWORN to and subscribed before me on 3/15/2012.

Rick Tyler

Notary Public
RICK TYLER

Notary Public State of Mississippi at Large. Bonded thru Notary Public Underwriters

(SEAL)

STATE OF MISSISSIPPI
RICK TYLER
NOTARY PUBLIC
ID# 90075
Commission Expires
June 29, 2012
RANKIN COUNTY

CITY OF CLINTON AGENDA ITEM FACT SHEET

BOARD MEETING DATE: March 20, 2012 AGENDA ITEM NO. 8

CONSENT AGENDA: TO:

FOR:

ACCOUNT NO:

INTRODUCED BY:

DISCUSSION/ACTION: Approve a resolution and directing the issuance of General Obligation Bonds, Series 2012 of the City of Clinton, Mississippi, in the principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) to raise money for the purpose of providing funds to pay for the cost of (I) erecting, repairing, improving, adorning and equipping municipal buildings, and purchasing land therefor, if necessary; (II) establishing, repairing, improving and extending sanitary, storm, drainage or sewerage systems; (III) constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefore, if necessary; (IV) constructing bridges and culverts; (V) purchasing fire-fighting equipment and apparatus, providing housing for same, and purchasing land therefore, if necessary; (VI) paying the costs of issuing the bonds and (VII) other related improvements within the City.

INTRODUCED BY: Rosemary Aultman, Mayor

BOARD ACTION: MOTION MADE BY: Peace

SECONDED BY: Cashion

VOTE CAST: TAKEN:	"AYE"	"NAY"	ACTION
Brabham	✓		
Hisaw	✓		
Greer	✓		
Barnett	✓		
Peace	✓		
Morgan	✓		
Cashion	✓		
Mayor Aultman			

The Mayor and Board of Aldermen of the City of Clinton, Mississippi, took up for consideration the matter of the issuance of General Obligation Bonds, Series 2012, of the City of Clinton, Mississippi, in the principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000). After a discussion of the subject, ~~Alderman~~ PEALE offered and moved the adoption of the following resolution: ALDERWOMAN

RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2012 OF THE CITY OF CLINTON, MISSISSIPPI, IN THE PRINCIPAL AMOUNT OF FOUR MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS ($4,250,000) TO RAISE MONEY FOR THE PURPOSE OF PROVIDING FUNDS TO PAY FOR THE COST OF (I) ERECTING, REPAIRING, IMPROVING, ADORNING AND EQUIPPING MUNICIPAL BUILDINGS, AND PURCHASING LAND THEREFOR, IF NECESSARY; (II) ESTABLISHING, REPAIRING, IMPROVING AND EXTENDING SANITARY, STORM, DRAINAGE OR SEWERAGE SYSTEMS; (III) CONSTRUCTING, IMPROVING OR PAVING STREETS, SIDEWALKS, DRIVEWAYS, PARKWAYS, WALKWAYS OR PUBLIC PARKING FACILITIES, AND PURCHASING LAND THEREFOR, IF NECESSARY; (IV) CONSTRUCTING BRIDGES AND CULVERTS; (V) PURCHASING FIRE-FIGHTING EQUIPMENT AND APPARATUS, PROVIDING HOUSING FOR SAME, AND PURCHASING LAND THEREFOR, IF NECESSARY; (VI) PAYING THE COSTS OF ISSUING THE BONDS AND (VII) OTHER RELATED IMPROVEMENTS WITHIN THE CITY.

WHEREAS, the Mayor and Board of Aldermen of the City of Clinton, Mississippi, acting for and on behalf of the City of Clinton, Mississippi, hereby find, determine, adjudicate and declare as follows:

1. (a) In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Section 21-33-301 *et seq.*, Mississippi Code of 1972, as amended.

"Beneficial Owner" shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the Beneficial Owner of such Bond by a DTC Participant on the records of such DTC Participant, or such person's subrogee.

"Book-Entry System" shall mean a book-entry system established and operated for the recordation of Beneficial Owners of the Bonds as described in Section 2 herein.

"Bond" or **"Bonds"** shall mean the Bonds issued pursuant to this resolution.

"Bond Counsel" shall mean the law firm of Phelps Dunbar LLP, Jackson, Mississippi.

"Bond Resolution" shall mean this resolution.

"Bond Year" shall mean the period commencing on the day and month of the date of the Bond of any year and ending on the last day of the month preceding such day and month of the following year.

"City" shall mean the City of Clinton, Mississippi.

"Clerk" shall mean the City Clerk of the City.

"Code" shall mean the Internal Revenue Code of 1986, as amended, supplemented or superseded.

"Direct Participant" shall mean any broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository.

"DTC" shall mean The Depository Trust Company.

"DTC Participants" shall mean any participant for whom DTC is a Securities Depository Nominee.

"EMMA" shall mean the Electronic Municipal Market Access System or any similar system that is acceptable to the United States Securities & Exchange Commission.

"Governing Body" shall mean the Mayor and Board of Aldermen of the City.

"Holder" shall mean the Registered Owner of any Bond.

"Indirect Participant" shall mean a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository through a Direct Participant.

"Letter of Representations" shall mean the blanket issuer letter of representations from the City to DTC under the Book-Entry System.

"Mayor" shall mean the Mayor of the City.

"Official Statement" shall mean the Official Statement of the City dated March 20, 2012.

"Paying Agent" shall mean any bank, trust company or other institution hereafter designated by the Governing Body to make payments of the principal of and interest on the Bonds, and to serve as registrar and transfer agent for the registration of owners of the Bonds, and the authentication agent to authenticate the initial delivery or reissuance of the Bonds and for the performance of other duties as may be herein or hereafter specified by the Governing Body.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization and a governmental unit or agency or political subdivision thereof.

"Preliminary Official Statement" shall mean the Preliminary Official Statement of the City dated March 6, 2012.

"Project" shall mean providing funds to pay for the cost of (i) erecting, repairing, improving, adorning and equipping municipal buildings, and purchasing land therefor, if necessary; (ii) establishing, repairing, improving and extending sanitary, storm, drainage or sewerage systems; (iii) constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor, if necessary; (iv) constructing bridges and culverts; (v) purchasing fire-fighting equipment and apparatus, providing housing for same, and purchasing land therefor, if necessary; (vi) paying the costs of issuing the bonds and (vii) other related improvements within the City.

"Purchaser" shall mean the successful bidder for the Bonds.

"Record Date" shall mean, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date thereof.

"Record Date Registered Owner" shall mean the Registered Owner as of the Record Date.

"Registered Owner" shall mean the Person whose name shall appear in the registration records of the City maintained by the Paying Agent.

"Securities Depository" shall mean the Depository Trust Company and any substitute for or successor to such securities depository that shall maintain a Book-Entry System with respect to the Bonds.

"Securities Depository Nominee" shall mean the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration record the Bonds to be delivered to such Securities Depository during the continuation with such Securities Depository of participation in its Book-Entry System.

"Subsection 148(f)" shall mean Subsection 148(f) of the Code.

"Subsection 148(f) Regulations" shall mean any regulations promulgated from time to time pursuant to Subsection 148(f) of the Code.

"2012 Bond Fund" shall mean the fund of the City provided for in Section 15 hereof.

"2012 Construction Fund" shall mean the fund of the City, created under Section 14 hereof, into which the principal portion of the proceeds of the Bonds shall be deposited.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any of such words and terms.

2. The City is authorized under the provisions of the Act to issue the Bonds for the purpose of providing the necessary funds to pay the cost of the Project. It is in the public interest to issue the Bonds for such purposes and the public convenience and necessity requires that the Bonds be issued for such purposes.

3. The estimated costs of the Project and the cost of issuance of the Bonds herein directed to be issued is Four Million Two Hundred Fifty Thousand Dollars ($4,250,000).

4. The assessed value of taxable property within the City, according to the last completed assessment for taxation is Two Hundred One Million Seven Hundred Twenty-Eight Thousand Sixty Dollars ($201,728,060); the City has outstanding fixed bonded indebtedness (non-revenue producing debt) subject to the fifteen percent (15%) debt limit prescribed by Section 21-33-303, Mississippi Code of 1972, as amended, in the amount of Ten Million Sixty-One Thousand One Hundred Thirty-Four Dollars ($10,061,134) and outstanding fixed bonded and floating (revenue producing debt) indebtedness subject to the twenty percent (20%) debt limit prescribed by Section 21-33-303, Mississippi Code of 1972 (which amount includes the fixed bonded indebtedness set forth above subject to the 15% debt limit), in the amount of Eleven Million Three Hundred Thirty-Four Thousand Three Hundred Eighty-Nine Dollars ($11,334,389). The issuance of the Bonds will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the City.

5. The Bonds are not private activity bonds as such term is defined in Section 141 of the Code.

6. The Code provides that noncompliance with the provisions thereof may cause interest on obligations to become taxable retroactive to the initial date of issuance, and provides that the tax-exempt status of interest on obligations such as the Bonds is contingent on a number of future actions by the City. It is necessary to make certain covenants pertaining to the exemption of the interest on the Bonds from federal income taxes since such exemption may depend, in part, upon continuing compliance by the City with certain requirements of the Code.

7. The City is a governmental unit with general taxing power. No obligation which is a part of the issue of the Bonds is a private activity bond and 95 percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City.

8. It has now become necessary to make provision for the preparation, execution and issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. Contract with Purchasers. In consideration of the purchase and acceptance of any and all of the Bonds by the Registered Owners thereof, this Bond Resolution shall constitute a contract between the City and the Registered Owners from time to time of the Bonds. The pledge made herein and the covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction.

SECTION 2. Book-Entry System (a) The Bonds shall initially be issued pursuant to a Book-Entry System administered by the Securities Depository with no physical distribution of Bond certificates to be made except as provided in this Section. Any provision of this Bond Resolution or the Bonds requiring physical delivery of the Bonds shall, with respect to any Bonds held under the Book-Entry System, be deemed to be satisfied by a notation on the Registration Records maintained by the Paying Agent that such Bonds are subject to the Book-Entry System.

(b) So long as a Book-Entry System is being used, one Bond in the aggregate principal amount of the Bonds and registered in the name of the Securities Depository, the Securities Depository Nominee and the Direct Participants and Indirect Participants will evidence beneficial ownership of the Bonds in authorized denominations, with transfers of ownership effected on the records of the Securities Depository, the Direct Participants and the Indirect Participants pursuant to rules and procedures established by the Securities Depository, the Direct Participants and the Indirect Participants. The principal of and any premium on each Bond shall be payable to the Securities Depository Nominee or any other person appearing on the Registration Records as the Registered Owner of such Bond or its registered assigns or legal representative at the principal office of the Paying Agent. So long as the Book-Entry System is in effect, the Securities Depository will be recognized as the Holder of the Bonds for all purposes. Transfer of principal, interest and any premium payments or notices to Direct Participants and Indirect Participants will be the responsibility of the Securities Depository and transfer of principal, interest and any premium payments or notices to Beneficial Owners will be the responsibility of the Direct Participants and Indirect Participants. No other party will be responsible or liable for such transfers of payments or notices or for maintaining, supervising or reviewing such records maintained by the Securities Depository, the Direct Participants or the Indirect Participants. While the Securities Depository Nominee or the Securities Depository, as the case may be, is the registered owner of the Bonds, notwithstanding any other provisions set forth herein, payments of principal of, redemption premium, if any, and interest on the Bonds shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of such Holder, without notice to or the consent of the Beneficial Owners, the Paying Agent, with the consent of the City, and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set out herein. In such event, the Paying Agent shall make payments with respect to the Bonds in such manner as if set forth herein.

(c) The City may at any time elect (i) to provide for the replacement of any Securities Depository as the depository for the Bonds with another qualified Securities Depository, or (ii) to discontinue the maintenance of the Bonds under a Book-Entry System. In such event, and upon being notified by the City of such election, the Paying Agent shall give 30 days' prior notice of such election to the Securities Depository (or such fewer number of days as shall be acceptable to such Securities Depository).

(d) Upon the discontinuance of the maintenance of the Bonds under a Book-Entry System, the City will cause Bonds to be issued directly to the Beneficial Owners of Bonds, or their designees, as further described below. In such event, the Paying Agent shall make provisions to notify Direct Participants and the Beneficial Owners of the Bonds, by mailing an appropriate notice to the Securities Depository, or by other means deemed appropriate by the Paying Agent in its discretion, that Bonds will be directly issued to the Beneficial Owners of Bonds as of a date set forth in such notice, which shall be a date at least 10 days after the date of mailing of such notice (or such fewer number of days as shall be acceptable to the Securities Depository).

(e) In the event that Bonds are to be issued to the Beneficial Owners of the Bonds, or their designees, the City shall promptly have prepared Bonds in certificated form registered in the names of the Beneficial Owners of Bonds shown on the records of the Direct Participants provided to the Paying Agent, as of the date set forth in the notice described above. Bonds issued to the Beneficial Owners, or their designees, shall be in fully registered form substantially in the form set forth Section 7 hereof.

(f) If any Securities Depository is replaced as the depository for the Bonds with another qualified Securities Depository, the City will issue to the replacement Securities Depository Bonds substantially in the form set forth herein, registered in the name of such replacement Securities Depository.

(g) Each Securities Depository and the Direct Participants, the Indirect Participants and the Beneficial Owners of the Bonds, by their acceptance of the Bonds, agree that the City and the Paying Agent shall have no liability for the failure of any Securities Depository to perform its obligation to any Direct Participant, Indirect Participant or other nominee of any Beneficial Owner of any Bonds to perform any obligation that such Direct Participant, Indirect Participant or other nominee may incur to any Beneficial Owner of the Bonds.

(h) Notwithstanding any other provision of this Bond Resolution, on or prior to the date of issuance of the Bonds, the Paying Agent shall have executed and delivered to the initial Securities Depository a Letter of Representations governing various matters relating to the Securities Depository and its activities pertaining to the Bonds. The terms and provisions of such Letter of Representations are incorporated herein by reference and in the event there shall exist any inconsistency between the substantive provisions of the said Letter of Representations and any provisions of this Bond Resolution, then, for as long as the initial Securities Depository shall serve with respect to the Bonds, the terms of the Letter of Representations shall govern.

(i) Notwithstanding any provision in this Bond Resolution to the contrary, at all times in which the Book-Entry System is in effect, any references to physical delivery of a Bond shall not be required.

SECTION 3. **Authorization**. The Bonds are hereby authorized and ordered to be prepared and issued in the principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) to raise money for the purpose of providing funds to pay for the cost of the Project.

SECTION 4. **Description of Bonds.** (a) Subject to the provisions of Section 2 hereof, payments of interest on the Bonds shall be made to the Record Date Registered Owner, and payments of principal shall be made upon presentation and surrender thereof at the principal office of the Paying Agent to the Record Date Registered Owner in lawful money of the United States of America.

(b) The Bonds shall be registered as to both principal and interest; shall be dated April 1, 2012; shall be issued or reissued in denomination of $5,000 each, or integral multiples thereof up to the amount of a single maturity; shall be numbered from one upward in the order of issuance; shall bear interest from the date thereof at the rate or rates hereinafter specified, which interest shall be payable commencing on April 1, 2013, and semiannually on each April 1 and October 1 of each year thereafter; and shall mature and become due and payable, with option of prior payment as set forth below, on April 1 in the years and in the principal amounts as follows:

Year *(April 1 Maturity)*	Principal Amount	Interest Rate	Year *(April 1 Maturity)*	Principal Amount	Interest Rate
2013	$105,000	3.40%	2023	$210,000	2.40%
2014	110,000	3.40	2024	220,000	2.40
2015	155,000	3.40	2025	230,000	2.40
2016	160,000	3.40	2026	235,000	2.50
2017	165,000	3.40	2027	245,000	2.60
2018	175,000	3.40	2028	255,000	2.70
2019	180,000	3.40	2029	265,000	2.75
2020	190,000	3.40	2030	305,000	2.75
2021	195,000	3.40	2031	315,000	2.75
2022	205,000	3.40	2032	330,000	2.75

(c) Bonds maturing on April 1, 2023, and thereafter, are subject to redemption prior to their respective maturities at the election of the City on April 1, 2022, or on the first day of any month thereafter, either as a whole or in part (in inverse order of maturity and by lot if less than all of the maturity is to be redeemed), upon giving not less than thirty (30) days prior written notice, at the principal amount thereof plus accrued and unpaid interest to the date of redemption. Notice of the call for redemption shall be mailed to all Registered Owners of the Bonds not less than thirty (30) days prior to the date of redemption. The Bonds shall cease to bear interest from and after the date of redemption as set forth in the Notice of Redemption.

SECTION 5. Execution and Delivery. (a) When the Bonds shall have been validated and executed as herein provided, they shall be registered as an obligation of the City in the office of the Clerk in a book maintained for that purpose, and the Clerk shall cause to be imprinted upon the reverse side of each of the Bonds, over the Clerk's facsimile signature and facsimile seal, the certificate in substantially the form set out in Section 7.

(b) The Bonds shall be executed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the Clerk, with the facsimile seal of the City imprinted or affixed thereto; provided, however, all signatures and seals appearing on the Bonds, other than the signature of an authorized officer of the Paying Agent hereafter provided for, may be facsimile and shall have the same force and effect as if manually signed or impressed. In case any official of the City whose signature or a facsimile thereof appearing on the Bonds shall cease to be such official before the delivery or reissuance thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or re-issuance.

(c) The Bonds shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of their sale and award, together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance, sale and validation of the Bonds, and the final, unqualified approving opinion of Bond Counsel, which opinion shall be imprinted on the reverse of each of the Bonds.

(d) Prior to or simultaneously with the delivery by the Paying Agent of the Bonds, the City shall file with the Paying Agent:

(i) a copy, certified by the Clerk, of the transcript of proceedings of the Governing Body in connection with the authorization, issuance, sale and validation of the Bonds; and

(ii) an authorization to the Paying Agent, signed by the Mayor, to authenticate and deliver the Bonds to the Purchaser.

(e) The Paying Agent shall authenticate the Bonds and deliver them to the Purchaser thereof upon payment of the purchase price of the Bonds to the City.

(f) Certificates, blank as to denomination, rate of interest, date of maturity and CUSIP number and sufficient in quantity in the judgment of the City to meet the reasonable transfer and re-issuance needs on the Bonds, may be printed and delivered to the Paying Agent in generally accepted format, and held by the Paying Agent until needed for transfer or re-issuance, whereupon the Paying Agent shall imprint the appropriate information as to denomination, rate of interest, date of maturity and CUSIP number prior to the registration, authentication and delivery thereof to the transferee holder.

SECTION 6. <u>The Paying Agent, Registrar, Authentication Agent</u>. (a) The Paying Agent for the Bonds, which shall serve as paying agent, registrar, transfer and authentication agent for the Bonds, shall be a Mississippi bank nominated by the Purchaser of the Bonds, and shall be named through further proceedings of this Governing Body.

(b) So long as any of the Bonds shall remain outstanding, the City shall maintain with the Paying Agent records for the registration and transfer of the Bonds. The Paying Agent is hereby appointed registrar for the Bonds, in which capacity the Paying Agent shall register in such records and permit to be transferred thereon, under such reasonable regulations as may be prescribed, any Bond entitled to registration or transfer.

(c) The City shall pay or reimburse the Paying Agent for reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to paying agents, transfer agents and bond registrars, subject to agreement between the City and the Paying Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the negligence, misconduct or willful default of the Paying Agent, shall be made by the City on a case-by-case basis, subject, where not prevented by emergency or other exigent circumstances, to thc prior written approval of the Governing Body.

(d) The Paying Agent may at any time resign and be discharged of its duties and obligations as Paying Agent by giving at least sixty (60) days' written notice to the City, and may be removed as Paying Agent at any time by resolution of the Governing Body delivered to the Paying Agent. The resolution shall specify the date on which such removal shall take effect and the name and address of the successor Paying Agent, and shall be transmitted to the Paying Agent being removed within a reasonable time prior to the effective date thereof. Provided, however, that no resignation or removal of a Paying Agent shall become effective until a successor Paying Agent has been appointed pursuant to this Bond Resolution.

(i) Upon receiving notice of the resignation of a Paying Agent, the City shall promptly appoint a successor Paying Agent by resolution of the Governing Body. Any appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent. If no successor Paying Agent shall have been so appointed and have accepted appointment within thirty (30) days after the notice of resignation, the resigning Paying Agent may petition any court of competent jurisdiction for the appointment of a successor Paying Agent, which court may thereupon, after such notice as it may deem appropriate, appoint a successor Paying Agent.

(ii) In the event of a change of the Paying Agent, the predecessor Paying Agent shall cease to be custodian of any funds held pursuant to this Bond Resolution in connection with its role as such Paying Agent, and the successor Paying

Agent shall become such custodian; provided, however, that before any such delivery is required to be made, all reasonable fees, advances and expenses of the retiring or removed Paying Agent shall be fully paid. Every predecessor Paying Agent shall deliver to its successor Paying Agent all records of account, registration, records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Paying Agent.

(iii) Any successor Paying Agent appointed under the provisions hereof shall be a bank, trust company or national banking association having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls.

(iv) Every successor Paying Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor Paying Agent and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Paying Agent, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor.

(v) Should any transfer, assignment or instrument in writing be required by any successor Paying Agent from the City to more fully and certainly vest in such successor Paying Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Paying Agent, any such transfer, assignment and written instruments shall, on request, be executed, acknowledged and delivered by the City.

(vi) The City will provide any successor Paying Agent with certified copies of all resolutions, orders and other proceedings adopted by the Governing Body relating to the issuance of the Bonds.

(vii) All duties and obligations imposed hereby on the Paying Agent or successor Paying Agent shall terminate upon the accomplishment of all duties, obligations and responsibilities imposed by law or required to be performed by this Bond Resolution.

(e) Any corporation or association into which a Paying Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its 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, shall be and become successor Paying Agent hereunder and vested with all the powers, discretions, immunities, privileges and 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 either the City or the successor Paying Agent, anything herein to the contrary notwithstanding, provided only that such successor Paying Agent shall be satisfactory to the City and eligible under the provisions of Section 6(d)(iii) hereof.

SECTION 7. **Bond Form.** The Bonds shall be in substantially the following form, with such appropriate variations, omissions and insertions as are permitted or required by this Bond Resolution:

[BOND FORM]

UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
THE CITY OF CLINTON, MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2012

NO. R-_____ $______________

Rate of Interest	*Maturity*	*Date of Original Issue*	*CUSIP*
_______%	*April 1, 20__*	___________, *2012*	____________

Registered Owner: *CEDE & CO.*

Principal Amount: ____________________________________*DOLLARS*

The City of Clinton, Mississippi, located in Hinds County, State of Mississippi (the "City"), a body politic existing under the Constitution and laws of the State of Mississippi, acknowledges itself to owe and for value received, promises to pay in lawful money of the United States of America to the registered owner identified above, the principal amount identified above on the maturity date identified above, upon the presentation and surrender of this bond at the principal office of ________________, ________, Mississippi, or its successor, as paying agent (the "Paying Agent") for the General Obligation Bonds, Series 2012 of the City (the "Bonds"). Payment of the principal amount of this bond shall be made to the registered owner hereof who shall appear in the registration records of the City maintained by the Paying Agent, which will also serve as registrar, transfer and authentication agent, for the Bonds, as of the 15th day of the calendar month preceding the maturity date hereof.

The City further promises to pay interest on such principal amount from the date of this bond or from the most recent interest payment date to which interest has been paid at the rate of interest per annum set forth above, commencing on April 1, 2013, and semiannually on each April 1 and October 1 of each year thereafter, until said principal sum is paid, to the registered owner hereof whose name shall appear in the registration records of the City maintained by the

Paying Agent, as of the 15th day of the calendar month preceding the applicable interest payment date.

Payment of principal of and interest on this bond shall be made by check or draft mailed to such registered owner at the address as it appears on such registration records. The registered owner hereof may change such address by written notice to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the 15th day of the calendar month preceding the applicable principal or interest payment date.

Bonds maturing on April 1, 2023, and thereafter, are subject to redemption prior to their respective maturities at the election of the City on April 1, 2022, or on the first day of any month thereafter, either as a whole or in part (in inverse order of maturity and by lot if less than all of the maturity is to be redeemed), upon giving not less than thirty (30) days prior written notice, at the principal amount thereof plus accrued and unpaid interest to the date of redemption. Notice of the call for redemption shall be mailed to all Registered Owners of the Bonds not less than thirty (30) days prior to the date of redemption. The Bonds shall cease to bear interest from and after the date of redemption as set forth in the Notice of Redemption.

This bond is one of a series of bonds of like date of original issue, tenor and effect, except as to denomination, number, rate of interest and date of maturity, issued in the aggregate authorized principal amount of Four Million Two Hundred Fifty Thousand Dollars ($4,250,000) to raise money for the purpose of providing funds to pay for the cost of (i) erecting, repairing, improving, adorning and equipping municipal buildings, and purchasing land therefor, if necessary; (ii) establishing, repairing, improving and extending sanitary, storm, drainage or sewerage systems; (iii) constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor, if necessary; (iv) constructing bridges and culverts; (v) purchasing fire-fighting equipment and apparatus, providing housing for same, and purchasing land therefor, if necessary; (vi) paying the costs of issuing the bonds and (vii) other related improvements within the City.

This bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended, and by the further authority of proceedings duly had by the Mayor and Board of Aldermen of the City, including a resolution adopted March 20, 2012 (the "Bond Resolution").

The Bonds are registered as to both principal and interest, and are to be issued or reissued in denomination of $5,000 each, or integral multiples thereof up to the amount of a single maturity.

This bond may be transferred or exchanged by the registered owner hereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent, but only in the manner, subject to the limitations in the Bond Resolution, and upon surrender and cancellation of this bond. Upon such transfer or exchange, a new bond or bonds of like aggregate principal amount in authorized denominations of the same maturity will be issued.

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

The Bonds are and will continue to be payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to rate or amount upon all the taxable property within the geographical limits of the City. The City will levy annually a special tax upon all taxable property within the geographical limits of the City adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same falls due.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Bond Resolution until the certificate of registration and authentication hereon shall have been signed by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all conditions, acts and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds, in order to make the same legal and binding general obligations of the City, according to the terms thereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law. For the performance in apt time and manner of every official act herein required, and for the prompt payment of this bond, both principal and interest, the full faith and credit of the City are hereby irrevocably pledged.

IN WITNESS WHEREOF, the City has caused this bond to be executed in its name by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Clerk of the City, under the facsimile seal of the City, which said facsimile signatures said officials adopt as and for their own proper signatures, all as of the _____ day of ____________, 2012.

CITY OF CLINTON, MISSISSIPPI

BY:_________________________________

MAYOR

COUNTERSIGNED:

____

CITY CLERK

(Facsimile Seal)

There shall be printed in the lower left portion on the face of the Bonds a registration and authentication certificate in substantially the following form:

Certificate of Registration and Authentication

This bond is one of the Bonds described in the within mentioned Bond Resolution and is one of the General Obligation Bonds, Series 2012, of the City of Clinton, Mississippi.

____

______________, ______________
As Paying Agent

By: ______________________
Authorized Officer

Date of Registration and Authentication: ______________

There shall be printed on the reverse of the Bonds a registration and validation certificate and an assignment form in substantially the following form:

Registration and Validation Certificate

STATE OF MISSISSIPPI
COUNTY OF HINDS
CITY OF CLINTON

I, the undersigned City Clerk of the City of Clinton, Mississippi, do hereby certify that the within bond has been duly registered by me as an obligation of said City pursuant to law in a book kept in my office for that purpose, and has been validated and confirmed by Decree of the Chancery Court of Hinds County, Mississippi, rendered on the _____ day of ____________, 2012.

____
CITY CLERK

(Facsimile Seal)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within bond and does hereby irrevocably constitute and appoint ______________, _______, Mississippi, as Paying Agent to transfer the said bond on the records kept for registration thereof with full power of substitution in the premises.

____

NOTICE: The signature to this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within bond in every particular manner, without any alteration whatever.

Signatures guaranteed:

____

NOTICE: Signature(s) must be guaranteed by an approved eligible guarantor institution, an institution that is a participant in a Securities Transfer Association recognized signature guarantee program.

____

(Authorized Officer)

Date of Assignment: _________________

Insert Social Security Number or Other
Tax Identification Number of Assignee: ____________

SECTION 8. Mutilated, Lost or Stolen Bonds. In case any Bond shall become mutilated or be stolen, destroyed or lost, the City shall, if not then prohibited by law, cause to be authenticated and delivered a new Bond of like date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond stolen, destroyed or lost, upon the Registered Owner's paying the reasonable expenses and charges of the City in connection therewith, and in case of a Bond stolen, destroyed or lost, his filing with the City or Paying Agent evidence satisfactory to them that such Bond was stolen, destroyed or lost, and of his ownership thereof, and furnishing the City or Paying Agent with such security or indemnity as may be required by law or by them to save each of them harmless from all risks, however remote.

SECTION 9. Tax Pledge - General Obligation. There shall be and is hereby levied a direct, continuing special tax upon all of the taxable property within the geographical limits of the City, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums adequate and sufficient for the payment of the principal of and the interest on the Bonds and the reasonable and necessary fees and expenses of the Paying Agent. Said tax shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the City are collected, and the rate of tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to rate or amount. The avails of said tax are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue and the reasonable and necessary fees and expenses of the Paying Agent. Should there be a failure in any year to comply with the requirements of this section, such failure shall not impair the right of the Registered Owners of any of the Bonds in any subsequent year to have adequate taxes levied and collected to meet the obligations of the Bonds, both as to principal and interest.

SECTION 10. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of registration and authentication in substantially the form hereinabove set forth, duly executed by the Paying Agent, shall be entitled to the rights, benefits and security of this Bond Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of registration and authentication shall have been duly executed by the Paying Agent, which executed certificate shall be conclusive evidence of registration, authentication and delivery under this Bond Resolution. The Paying Agent's certificate of registration and authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Paying Agent, but it shall not be necessary that the same officer sign said certificate on all of the Bonds that may be issued hereunder at any one time.

SECTION 11. Registered Owner/Absolute Owner. (a) One (1) Bond registered in the name of the purchaser may be issued in the full amount for each maturity. Ownership of the Bonds may be in the Purchaser until the initial Registered Owner has made timely payment for the Bonds and, upon request of the Purchaser within a reasonable time of the initial delivery of the Bonds, the Paying Agent shall re-register any such Bond upon its records in the name of the Registered Owner to be designated by the Purchaser in the event timely payment has not been made by the initial Registered Owner.

(b) Except as hereinabove provided, the Person in whose name any Bond shall be registered in the records of the City maintained by the Paying Agent may be deemed the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on any Bond 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 provided herein. 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.

SECTION 12. Transfer and Assignment of Bonds. (a) Each Bond shall be transferrable only in the records of the City, upon surrender thereof at the office of the Paying Agent, together with a written instrument of transfer satisfactory to the Paying Agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the transfer of any Bond, the City, acting through its Paying Agent, shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond or Bonds.

(b) In all cases in which the privilege of transferring Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution and shall be reimbursed by the Registered Owner or Transferee for any tax or governmental charge required in connection with such exchange or transfer but no other charge may be made to the Registered Owner for any exchange or registration of transfer of the Bonds.

SECTION 13. Sale of the Bonds. The Bonds are hereby sold and awarded to FTN Financial Capital Markets (herein called the "Purchaser") at and for a purchase price equal to $4,250,000, plus premium/less discount in the amount of $0.00). The Mayor and City Clerk are hereby authorized and directed to deliver the Bonds to the Purchaser upon payment to the City of the aforesaid purchase price.

SECTION 14. 2012 Construction Fund. The principal proceeds received upon the sale of the Bonds shall be deposited with a qualified depository of the City in a special fund designated the "2012 Construction Fund," which shall be used for payment of all costs of issuance and of constructing and otherwise acquiring the Project. Any amount remaining in the 2012 Construction Fund after completion of construction and acquisition of the Project and payment of all such expenses shall be transferred to the 2012 Bond Fund.

SECTION 15. 2012 Bond Fund. The City shall maintain with a qualified depository of the City a fund designated the "2012 Bond Fund" in the name of the City for the payment of principal of and interest on the Bonds and the payment of paying agents' fees in connection therewith. There shall be deposited into the 2012 Bond Fund as and when received:

1. accrued interest and premium, if any, received upon delivery of the Bonds;

2. the avails of any of the ad valorem taxes levied and collected for payment of the principal and interest on the Bonds;

3. any income received from investment of monies in the 2012 Bond Fund; and

4. any other funds available to the City which may be lawfully used for payment of the principal of and interest on the Bonds, and which may be directed to be deposited into the 2012 Bond Fund, including any balance of Bond proceeds remaining in the 2012 Construction Fund after the purpose for which such Bonds were issued shall have been accomplished.

SECTION 16. **Use of Proceeds.** The purpose for which the Bonds will be issued is to provide funds to pay for the cost of (i) erecting, repairing, improving, adorning and equipping municipal buildings, and purchasing land therefor, if necessary; (ii) establishing, repairing, improving and extending sanitary, storm, drainage or sewerage systems; (iii) constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor, if necessary; (iv) constructing bridges and culverts; (v) purchasing fire-fighting equipment and apparatus, providing housing for same, and purchasing land therefor, if necessary; (vi) paying the costs of issuing the bonds and (vii) other related improvements within the City.

SECTION 17. **Approval of Official Statement.** The Governing Body hereby authorizes and directs the Mayor to sign and deliver to Bond Counsel and the Purchaser, and the Purchaser to deliver to the purchasers of the Bonds, the Official Statement respecting the Bonds. Such Official Statement shall be in substantially the same form as the aforesaid Preliminary Official Statement, with such changes therein and additions thereto as the Mayor shall determine to be necessary, desirable or appropriate to consummate the sale and issuance of the Bonds, the determination of the definitive form of such Official Statement by the Mayor to be conclusively established by her signature thereon.

SECTION 18. **Payment of Bonds.** (a) Payment of principal on the Bonds shall be made, upon presentation and surrender of the Bonds at the principal office of the Paying Agent, to the Record Date Registered Owner thereof whose name shall appear in the registration records of the City maintained by the Paying Agent as of the Record Date.

(b) Payment of each installment of interest on the Bonds shall be made to the Record Date Registered Owner thereof. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Bond subsequent to the Record Date and prior to the due date of the interest.

(c) Principal of and interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses appearing in the registration records of the Paying Agent. Any such address may be changed by written notice from the Registered Owner to the Paying Agent or certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the 15th day of the calendar month preceding the applicable principal or interest payment date to be effective as of such date.

SECTION 19. Validation. The Bonds shall be submitted to validation as provided by Section 31-13-1 *et seq.*, Mississippi Code of 1972, as amended, and to that end the Clerk is hereby directed to make up a transcript of all legal papers and proceedings relating to the issuance of the Bonds and to certify and forward the same to the Mississippi State Bond Attorney for the institution of validation proceedings.

SECTION 20. Delay in Delivery. It is specifically provided, notwithstanding the dates set out in this Bond Resolution for the date of the Bonds and the payment dates for principal and interest, that in the event the delivery of the Bonds is delayed by a contest of the validation of the Bonds or otherwise and the initial Purchaser shall decline to take delivery of the Bonds, then the Bonds may be re-offered for sale if such validation contest is ruled in favor of issuance of the Bonds. In such event, all principal maturities may be adjusted so that such maturities will fall due in the same amounts and intervals as herein provided, but beginning one (1) year from the date of sale thereof, and continuing through the twentieth (20th) year from such actual date of the Bonds. The interest payments may also be adjusted accordingly, with interest payments due semiannually, commencing not more than one (1) year from such actual date of the Bonds. After the validation of the Bonds, no amendment, revision or supplement contemplated by this Section shall be cause for the re-submission of the proceedings for the issuance of the Bonds, as amended, revised or supplemented, to any further validation proceedings, it being the intent of this Bond Resolution that any such amendments, revisions or supplements be covered by the initial validation proceeding.

SECTION 21. Termination of Bond Resolution, Defeasance. (a) If the City shall pay or cause to be paid to the Registered Owners of the Bonds the principal of and interest to become due with respect thereto at the times and in the manner stipulated therein and herein, and if the City shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Bond Resolution expressed as to be kept, performed and observed by it or on its part and shall pay or cause to be paid to the Paying Agent all sums of money due or to become due according to the provisions hereof, then the rights of the Registered Owners under the Bond Resolution shall cease, terminate and be void, and thereupon the lien of this Bond Resolution shall be cancelled and discharged.

(b) Bonds for the payment or redemption of which sufficient moneys shall have been deposited with the Paying Agent (whether upon or prior to the maturity or the redemption date of such Bonds) with irrevocable instructions to apply such funds to such payment or redemption shall be deemed to be paid within the meaning of this Section 18; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given to the Registered Owners of all Bonds then outstanding as provided herein.

(c) The Bonds, or any of the Bonds, shall be deemed to be paid within the meaning of this Section 21 and for all purposes of this Bond Resolution when (i) payment of the principal of such Bonds, plus accrued and unpaid interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided herein) either (1) shall have been made or caused to be made in accordance with the terms thereof or (2) shall have been provided for by irrevocably depositing with the Paying Agent and irrevocably setting aside exclusively for such payment (a) cash in an amount sufficient to make all payments specified above, or (b) direct obligations of the United States of America, maturing on or before the date or dates when the payments specified above shall become due, the principal amount of which and the interest thereon, when due, is or will be, in the aggregate, sufficient to make all such payments, or (c) any combination of cash and such obligations; and (ii) all necessary and proper fees, compensation and expenses of any Paying Agent pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for. At such time as the Bonds shall be deemed to be paid hereunder, such Bond shall no longer be secured by or entitled to the benefits of this Bond Resolution.

SECTION 22. Arbitrage Covenants; Rebate. (a) The City covenants and certifies to and for the benefit of the Registered Owners of the Bonds that it will neither take any action or omit to take any action nor make any investment or use of the proceeds from the issue and sale of the Bonds, including amounts treated as proceeds, if any, which will cause the Bonds to be classified as arbitrage bonds within the meaning of Section 148 of the Code, and any regulations thereunder as such may be applicable to the Bonds, at the time of such action, investment or use.

(b) (i) The City shall take all actions necessary in order to comply with the requirements of paragraphs (2) and (3) of Subsection 148(f) of the Code in order that none of the Bonds shall be treated as an arbitrage bond pursuant to paragraph (1) of Subsection 148(f), including payment of all amounts, if any, required to be paid to the United States in accordance with and within the time limits prescribed in Subsection 148(f) and the Subsection 148(f) Regulations, the making of any and all calculations, computations and filings required pursuant to Subsection 148(f) and the Subsection 148(f) Regulations, and the maintenance of all such records as may be required pursuant to Subsection 148(f) and the Subsection 148(f) Regulations.

(ii) In order to effectuate the foregoing covenants, the City hereby covenants and certifies that: (A) prior to delivery of the Bonds, it shall have received written instructions from nationally recognized Bond Counsel with respect to specific actions which will, under Subsection 148(f) and such regulations as may have been promulgated prior to delivery of the Bonds, assure compliance with such covenants; and (B) the City shall comply with such instructions until the City shall have received from nationally recognized bond counsel written advice that continued compliance with such instructions is not necessary in order to avoid an adverse effect on the tax-exempt status of the Bonds or alternative written instructions with respect to certain actions which will assure compliance with the covenants set forth above, in which event the City shall thereafter comply with all such alternative instructions.

(iii) Based upon representations of the City set forth in Section 26 hereof, the Bonds are exempt from the Rebate Requirements set forth in Section 148(f) of the Code. In the event those representations are not true for any reason, the City shall establish a separate and special account of the City to be designated the "Series 2012 Bond Rebate Account" (the "Rebate Account"), into which the City shall deposit: on or before the 30th day following each Bond Year, an amount equal to the excess of all earnings on all nonpurpose investments (within the meaning of Subsection 148(f)) over the amount which would have been earned if such nonpurpose investments had been invested at a rate equal to the yield [computed in accordance with Subsection 148(f)] on the Bonds which amounts shall be credited to a fund designated the "Series 2012 Excess Income Fund" (the "Excess Income Fund"); and all amounts earned on amounts in the Rebate Account, which amounts shall be credited to a fund designated the "Series 2012 Rebate Account Earnings Fund." Amounts in the Rebate Account shall be used solely and only to make payments of rebates to the United States as required pursuant to Subsection 148(f), provided that, if at any time the amount in the Rebate Account exceeds the amount which, together with all amounts previously paid to the United States with respect to the Bonds pursuant to Subsection 148(f), will equal the amount which would be required to be rebated to the United States as a result of earnings on nonpurpose investments received during the period beginning on the date of delivery of the Bonds and ending on the date of computation, the City may, in its discretion, withdraw such excess from the Rebate Account and deposit the amount withdrawn into the Bond Fund or, if all principal of and interest on the Bonds shall have been paid in full, and all rebates to the United States payable pursuant to Subsection 148(f) shall have been paid in full, the City may use the amount withdrawn for any purpose permitted under the applicable laws of the State of Mississippi.

(c) The City shall not intentionally use any portion of the proceeds (within the meaning of Subsection 148(a) of the Code and any regulations promulgated pursuant thereto) of the Bonds to acquire higher yielding investments (as defined in Subsection 148(a) of the Code and all regulations promulgated pursuant thereto) or to replace funds which were used directly or indirectly to acquire higher yielding investments, except to the extent specifically permitted pursuant to Section 148 of the Code and any regulations promulgated thereunder.

(d) The City shall not purchase or acquire any investment property with proceeds (within the meaning of Section 148 of the Code) of the Bonds in a manner or for a price which would cause any of the Bonds to be or become an arbitrage bond, within the meaning of Section 148 of the Code and all regulations promulgated thereunder, including, without limitation, to the extent prescribed by applicable regulations, investments (regardless of yield) which do not comply with the provisions of any regulations intended to assure that obligations are acquired at their "market price".

(e) The Mayor is hereby authorized to execute a "nonarbitrage and federal tax certificate" in connection with the sale and delivery of the Bonds, setting forth the reasonable expectations of the City with respect to the investment and use of proceeds of the Bonds and also setting forth certain covenants, stipulations and certifications with respect to the investment and expenditures of the proceeds of the Bonds, and the City shall comply with all certifications, stipulations and covenants set forth in such certificate.

SECTION 23. Bond Covenants. (a) The Bonds are not private activity bonds within the meaning of Section 141 of the Code.

(b) No more than 10% of the bond proceeds will be used (within the meaning of Section 141 of the Code), directly or indirectly, in a trade or business (within the meaning of Section 141 of the Code and including any activity carried on by any person other than a natural person) carried on by any person other than a governmental unit (within the meaning of Section

141 of the Code and specifically excluding the United States of America or any agency or instrumentality thereof).

(c) No more than 10% of any property with respect to which all or any part of the bond proceeds will be used (within the meaning of Section 141 of the Code), directly or indirectly, will be used in a trade or business (within the meaning of Section 141 of the Code and including any activity carried on by any person other than a natural person), other than a governmental unit (within the meaning of Section 141 of the Code and specifically excluding the United States of America or any agency or instrumentality thereof).

(d) None of the bond proceeds will be used for any private business use (within the meaning of Section 141 of the Code) which is not related to the governmental use (within the meaning of Section 141 of the Code) of such bond proceeds.

(e) None of the proceeds of the Bonds will be used to make or finance loans for persons other than governmental units.

(f) In no event will the payment of the principal of or the interest on the Bonds be (under the terms of the Bond or any underlying arrangement) directly or indirectly secured (within the meaning of Section 141 of the Code) by any interest in the property used or to be used in a private business use or payments in respect to such property or to be derived from payments (whether or not to the City) in respect of property or borrowed money used or to be used for a private business use.

(g) The City covenants and certifies that there are no other obligations heretofore issued or to be issued by or on behalf of any state, territory or possession of the United States, or political subdivision of any of the foregoing, or of the District of Columbia, by or for the benefit of the City, which (1) were or are to be sold at substantially the same time as the Bonds, (2) were or are to be sold at substantially the same interest rate as the interest rate of the Bonds, (3) were or are to be sold pursuant to a common plan of marketing as the marketing plan for the Bonds, and (4) are payable directly or indirectly by the City or from the source from which the Bonds are payable. The City covenants and certifies that there are no additional facts or circumstances which may further evidence that the Bonds are part of any other issue of obligations.

(h) The City covenants and certifies that no payment of principal of or interest on the Bonds is or will be guaranteed (in whole or in part, directly or indirectly) by the United States, or any agency or instrumentality thereof or any entity with statutory authority to borrow from the United States. The City represents, warrants and covenants that none of the bond proceeds will be: (a) used to make loans, the payment of principal of or interest on which is or will be guaranteed (in whole or in part, directly or indirectly) by the United States or any agency or instrumentality thereof or any entity with statutory authority to borrow from the United States; or (b) invested (directly or indirectly) in any deposit or account which is insured under federal law by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration or any similar federally chartered corporation other than: (i) the investment of the bond proceeds for an initial temporary period (within the meaning of subparagraph 3(B) of Subsection 149(b) of the Code) until such proceeds are needed for the purpose for which the Bonds are being issued; (ii) investments of a bona fide debt service fund (within the meaning of Subparagraph 3(B) of Subsection 149(b) of the Code); (iii) investments of a reserve which meets the requirements of Subsection 149(d) of the Code; (iv) investments in bonds issued by the United States Treasury; (v) or other investments permitted under regulations promulgated by the Internal Revenue Service pursuant to Subsection 149(b) of the Code.

(i) The City covenants and certifies that, notwithstanding any provision of this Bond Resolution or the rights of the City hereunder, the City will not take or permit to be taken on its behalf any action which would impair the exemption of interest on the Bonds from federal income taxation, and it will take such reasonable action as may be necessary to continue such exemption, including, without limitation, the preparation and filing of any statements required to be filed by it in order to maintain such exemption.

SECTION 24. Continuing Reporting under Rule 15c2-12. The City hereby agrees for the benefit of the holders and beneficial owners of the Bonds for so long as it remains obligated to advance funds to pay the Bonds, that it will provide certain updated financial information and operating data annually, and timely notice of specified material events, to certain information vendors as hereinafter set forth. This information will be available to securities brokers and others who subscribe to receive the information from the vendors.

The City will annually provide to EMMA its Comprehensive Annual Financial Report prepared in conformity with generally accepted accounting principles, as prescribed by the Government Accounting Standards Board. If in one year the City's Comprehensive Annual Financial Report does not contain operating and financial information similar to that contained in this Official Statement, the City will provide certain updated financial information and operating data to certain information vendors annually. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement used in connection with marketing the Bonds set forth in Appendix A of the Official Statement and other financial information set forth in Appendices C and D of the Official Statement. The City will update and provide this information within six (6) months after the end of each fiscal year of the City ending in or after fiscal year 2012. The City will provide the updated information to EMMA, or to any state information depository ("SID") that is designated by the State and approved by the staff of the United States Securities and Exchange Commission (the "SEC").

The City may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12. The updated information will include audited financial statements, if the City's audit is completed by the required time. If audited financial statements are not available by the required time, the City will provide unaudited financial statements by such time and audited financial statements when the audit report becomes available. Any such financial statements will be prepared in accordance with the accounting principles promulgated by the State of Mississippi or such other accounting principles as the City may be required to employ from time to time pursuant to law or regulation.

The City's current fiscal year end is September 30. Accordingly, it must provide updated information by April 1 in each year, unless the City changes its fiscal year. If the City changes its fiscal year, it will notify either EMMA or the MSRB and any SID of the change. If the City changes its fiscal year, it will also notify the Repositories, together with any Accompanying Information, of the change.

Anyone requesting information under the continuing disclosure requirements of the Rule should contact the City Clerk, City Hall, 300 Jefferson Street (39056), Post Office Box 156, Clinton, Mississippi 39060-0156, Telephone: (601) 948-5474. The City will also provide timely notices of certain events to each Repository, together with any Accompanying Information. The City will provide notice within ten (10) days of the occurrence of any of the following events with respect to the Bonds, if such event is material to a decision to purchase or sell Bonds, provided that the occurrence of an event listed in (1), (3), (4), (5), (6), (9), (11) and (13) will always be deemed material: (1) principal and interest payment delinquencies; (2) non-payment related defaults; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, if any, or their failure to perform; (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (7) modifications to the rights of bondholders; (8) optional, contingent, or unscheduled bond calls; (9) defeasances (notice of a legal defeasance should include disclosure that the Bonds have been escrowed to maturity or to a call, as well as disclosure of the timing of the maturity or call); (10) release, substitution, or sale of property securing repayment of the Bonds; (11) rating changes; (12) tender offers, if any; (13) bankruptcy, insolvency, receivership or a similar proceeding by an obligated person; (14) consummation of a merger, consolidation, acquisition, or sale of all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and (15) appointment of a successor trustee or the change of name of a trustee. In addition, the City will provide timely notice of any failure by the City to provide information, data, or financial statements in accordance with its agreement described above under the second, third and fourth paragraphs of this Section.

The City has agreed to provide the foregoing information to either EMMA or the MSRB, and any SID. The information will be available to holders of Bonds only if the holders comply with the procedures and pay the charges established by such information vendors or obtain the information through securities brokers who do so.

The City has agreed to update information and to provide notices of material events only as described in this Section 24. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described herein. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders or beneficial owners of Bonds may seek a writ of mandamus to compel the City to comply with its agreement.

The City may amend its continuing disclosure agreement only if (1) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature, or status of the City, (2) the agreement, as amended, would have complied with SEC Rule 15c2-12 at the date of sale of the Bonds, taking into account any amendments or interpretations of the Rule as well as any change in circumstance, and (3) the City receives an opinion of nationally recognized bond counsel to the effect that the amendment does not materially impair the interests of the holders and beneficial owners of the Bonds. If any such amendment is made, the City will include in its next annual update an explanation in narrative form of the reasons for the change and its impact on the type of operating data or financial information being provided.

SECTION 25. **Bond Rating.** The required documentation and information on the Bonds has been submitted to Standard & Poor's, New York, New York, in order to obtain a rating on the Bonds.

SECTION 26. **Rebate.** The City reasonably expects that it will not issue bonds in an amount that exceeds $5,000,000 for calendar year 2012 and therefore will not be subject to rebate.

SECTION 27. **Prohibited Payments.** The City covenants that it will make no "Prohibited Payments" as that term is used in the regulations promulgated under the Code.

SECTION 28. **Execute Additional Documents and Certificates.** The Mayor and Clerk of the City are hereby authorized to execute and deliver on behalf of the City, such documents, certificates and the like, without limitation, as may be required in order to issue and deliver the Bonds.

SECTION 29. **Conflicts.** All orders, resolutions or proceedings of the Governing Body in conflict with any provision hereof shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict. For cause, this Bond Resolution shall become effective upon the adoption hereof.

SECTION 30. **Section Headings.** The section headings contained in the Bond Resolution have been prepared for convenience only and are not part of the Bond Resolution. They shall not be taken as an interpretation of any provision of the Bond Resolution.

SECTION 31. **Effective Date.** The Bond Resolution shall take effect upon its passage and adoption by the Governing Body.

Alderman CASHION seconded the motion to adopt the foregoing resolution after the same had been read and considered section by section, and, being put to a roll call vote, the result was as follows:

Alderman Jehu Brabham voted:	AYE
Alderman Tony Hisaw voted:	AYE
Alderman Tony Greer voted:	AYE
Alderman Bill Barnett voted:	AYE
Alderwoman Kathy Peace voted:	AYE
Alderman Mike Morgan voted:	AYE
Alderman Mike Cashion voted:	AYE

The motion having received the affirmative vote of a majority of all of the Aldermen present, the Mayor declared the motion carried and the Resolution adopted on this the 20th day of March, 2012.

CITY OF CLINTON, MISSISSIPPI

By: Rosemary G. Aultman
ROSEMARY G. AULTMAN, MAYOR

ATTEST:

By: Russell L. Wall
RUSSELL L. WALL, CITY CLERK

CITY OF CLINTON OFFICIAL SEAL MISSISSIPPI

RESOLUTION AUTHORIZING AND APPROVING EXECUTION OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH LEASING 2, INC FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT

WHEREAS, the Mayor and the Board of Aldermen, the Governing Body (the "Governing Body") of the City of Clinton, Mississippi (the "Lessee"), acting for and on the behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with Leasing 2, Inc. (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval;

2. The Lessee is authorized pursuant to Section 31-7-13(e) of the Mississippi Code of 1972, as amended, to acquire equipment and furniture by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed 10 years;

3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and

4. It is necessary for the Lessee to approve and authorize the Agreement.

5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b) (3) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, BE IT RESOLVED by this Governing Body for and on behalf of the Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and Rosemary G. Aultman (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 2012.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 2012, Lessee has designated $443,110.00 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than $10,000,000 of obligations issued during calendar year 2012 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by lessee during calendar year 2012 will not exceed $10,000,000.

Section 9. For purposes of this resolution, the amount of tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from lessee or by an entity subject to substantial control by Lessee, as provided in section 265(b)(3)(E) of the Code.

Section 10. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Following the reading of the foregoing resolution Alderman Barnett moved that the foregoing resolution be adopted; Alderman Morgan seconded the motion for its adoption. The Mayor put the question to a roll call vote and the result was as follows:

Alderman Brabham	AYE
Alderman Hisaw	AYE
Alderman Greer	AYE
Alderman Barnett	AYE
Alderwoman Peace	AYE
Alderman Morgan	AYE
Alderman Cashion	AYE

The motion having received the affirmative vote of all members present, the Mayor declared the motion carried and the resolution adopted this the 20th day of March 2012.

Rosemary G. Aultman, Mayor

ATTEST:

Russell L. Wall, City Clerk

MASTER LEASE AGREEMENT

LEASE NUMBER: ____________

This **MASTER LEASE AGREEMENT** (the "Agreement"), dated as of **March 15, 2012** is made and entered into by and between **Leasing 2, Inc.**, a **Florida** corporation, as lessor (the "Lessor"), and **CITY OF CLINTON, MS**, a political subdivision of the State of **Mississippi**, as lessee ("Lessee").

In consideration of the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. The following terms have the meanings specified below.

"Acceptance Certificate" means each Acceptance Certificate delivered by Lessee as part of an Equipment Schedule certifying as to the delivery, installation and acceptance of Equipment.

"Agreement" means this Master Lease Agreement and all Equipment Schedules hereto.

"Agreement Date" means the date first written above.

"Code" means the Internal Revenue Code of 1986, as amended, together with Treasury Regulations promulgated from time to time thereunder.

"Equipment" means all items of property described in Equipment Schedules and subject to this Agreement.

"Equipment Group" means each group of Equipment listed in a single Equipment Schedule.

"Equipment Schedule" means each sequentially numbered schedule executed by Lessor and Lessee with respect to an Equipment Group.

"Escrow Account" means the equipment acquisition account established by Lessor and Lessee with the Escrow Agent pursuant to the Escrow Agreement.

"Escrow Agent" means **SunTrust Bank**, a Georgia banking corporation, and any successor escrow agent under the Escrow Agreement.

"Escrow Agreement" means the Escrow Agreement, substantially in the form of Exhibit F hereto, to be executed by Lessor, Lessee and the Escrow Agent upon the first funding of an Equipment Schedule using the procedure described in Section 2.4.

"Events of Default" means those events described in Section 12.1.

"Fiscal Year" means each 12-month fiscal period of Lessee.

"Interest" means the portion of a Rental Payment designated as and comprising interest as provided in a Payment Schedule.

"Lease" means, with respect to each Equipment Group, this Agreement and the Equipment Schedule relating thereto, which together shall constitute a separate contract between Lessor and Lessee relating to such Equipment Group.

"Lease Date" means, with respect to each Lease, the date so designated in the related Equipment Schedule and the commencement date of the interest component as provided in the related Payment Schedule.

"Lease Term" means, with respect to each Equipment Group, the period during which the related Lease is in effect as specified in Section 3.1.

"Net Proceeds" means any insurance proceeds or condemnation awards paid with respect to any Equipment remaining after payment there from of all expenses incurred in the collection thereof.

"Non-Appropriation" means the failure of Lessee, Lessee's governing body, or, if applicable, the governmental entity from which Lessee obtains its operating and/or capital funds to appropriate money for any Fiscal Year sufficient for the continued performance by Lessee of all of Lessee's obligations under this Agreement, as evidenced by the passage of an ordinance or resolution specifically prohibiting Lessee from performing its obligations under this Agreement with respect to any Equipment, and from using any moneys to pay any Rental Payments due under this Agreement for a designated Fiscal Year and all subsequent Fiscal Years.

"Payment Date" means each date upon which a Rental Payment is due and payable as provided in a Payment Schedule.

"Payment Schedule" means the schedule of Rental Payments attached to an Equipment Schedule.

"Principal" means the portion of any Rental Payment designated as and comprising principal as provided in a Payment Schedule.

"Prepayment Price" means the amount so designated and set forth opposite a Payment Date in a Payment Schedule indicating the amount for which Lessee may purchase the related Equipment Group as of such Payment Date after making the Rental Payment due on such Payment Date.

"Rental Payment" means each payment due from Lessee to Lessor on a Payment Date.

"Specifications" means the bid specifications and/or purchase order pursuant to which Lessee has ordered any Equipment from a Vendor.

"State" means the state or commonwealth in which Lessee is situated.

"Vendor" means each of the manufacturers or vendors from which Lessee has ordered or with which Lessee has contracted for the manufacture, delivery and/or installation of the Equipment.

<u>Section 1.2. Exhibits.</u>
<u>Exhibit A</u>: Equipment Schedule including form of Acceptance Certificate and form of Payment Schedule.
<u>Exhibit B-1</u>: Form of Tax Agreement and Arbitrage Certificate (Escrow).
<u>Exhibit C-1</u>: Form of Resolution of the Governing Body of Lessee relating to each Lease (Escrow).
<u>Exhibit D</u>: Form of Incumbency Certificate as to each officer or representative of Lessee executing this Agreement or any Lease.
<u>Exhibit E</u>: Form of Opinion of Independent Counsel to Lessee.
<u>Exhibit F</u>: Form of Escrow Agreement.
<u>Exhibit G-1</u>: Form of Confirmation of Outside Insurance.
<u>Exhibit G-2</u>: Form of Questionnaire for Self-Insurance and Addendum to Equipment Schedule Relating to Self-Insurance.

ARTICLE II. LEASE OF EQUIPMENT
<u>Section 2.1. Acquisition of Equipment.</u> Prior to the addition of any Equipment Group, Lessee shall provide Lessor with a description of the equipment proposed to be subject to a Lease hereunder, including the cost and vendor of such equipment, the expected delivery date and the desired lease terms for such equipment, and such other information as the Lessor may require. If Lessor, in its sole discretion, determines the proposed equipment may be subject to a Lease hereunder, Lessor shall furnish to Lessee a proposed Equipment Schedule relating to the Equipment Group for execution by Lessee and then Lessor. By execution hereof, Lessor has made no commitment to lease any equipment to Lessee.
<u>Section 2.2. Disbursement.</u> Lessor shall have no obligation to make any disbursement to a Vendor or reimburse Lessee for any payment made to a Vendor for an Equipment Group (or, if the escrow procedure described in Section 2.4 hereof is utilized, consent to a disbursement) until five (5) business days after Lessor has received all of the following in form and substance satisfactory to Lessor: (a) a completed Equipment Schedule executed by Lessee; (b) an Acceptance Certificate in the form included with Exhibit A hereto; (c) a resolution or evidence of other official action taken by or on behalf of the Lessee to authorize the acquisition of the Equipment Group on the terms provided in such Equipment Schedule; (d) a Tax Agreement and Arbitrage Certificate in the form of Exhibit B-1 (as applicable) attached hereto; (e) evidence of insurance with respect to the Equipment Group in compliance with Article VII of this Agreement; (f) Vendor invoice(s) and/or bill(s) of sale relating to the Equipment Group, and if such invoices have been paid by Lessee, evidence of payment thereof and evidence of official intent to reimburse such payment as required by the Code; (g) financing statements naming Lessee as debtor and/or the original certificate of title or manufacturer's certificate of origin and title application, if any, for any Equipment which is part of such Equipment Group and is subject to certificate of title laws; (h) a completed and executed Form 8038-G or 8038-GC, as applicable, or evidence of filing thereof with the Secretary of Treasury; (i) an opinion of counsel to the Lessee substantially in the form of Exhibit E hereto, and (j) any other documents or items reasonably required by Lessor.
<u>Section 2.3. Lease; Possession and Use.</u> Lessor hereby leases the Equipment to Lessee, and Lessee hereby leases the Equipment from Lessor, upon the terms and conditions set forth herein. Lessee shall have quiet use and enjoyment of and peaceably have and hold each Equipment Group during the related Lease Term, except as expressly set forth in this Agreement.
~~Section 2.4. Escrow Procedure. If Lessor and Lessee agree that the cost of an Equipment Group is to be paid from an Escrow Account: (a) Lessor and Lessee shall execute the Escrow Agreement substantially in the form Exhibit F; (b) Lessor and Lessee shall execute an Equipment Schedule relating to such Equipment Group; and (c) Lessor shall deposit an amount equal to the cost of the Equipment Group into the Escrow Account. All amounts deposited by Lessor into the Escrow Account shall constitute a loan from Lessor to Lessee which shall be repaid by the Rental Payments due under the related Lease.~~

ARTICLE III. TERM
<u>Section 3.1. Term.</u> This Agreement shall be in effect from the Agreement Date until the earliest of (a) termination under Section 3.2 or (b) termination under Section 12.2; <u>provided</u>, <u>however</u>, no Equipment Schedules shall be executed after any Non-Appropriation or Event of Default. Each Lease with respect to an Equipment Group shall be in effect for a Lease Term commencing upon the Lease Date and ending as provided in Section 3.5.

Section 3.2. Termination by Lessee. In the sole event of Non-Appropriation, this Agreement and each Lease hereunder shall terminate, in whole, but not in part, as to all Equipment effective upon the last day of the Fiscal Year for which funds were appropriated, in the manner and subject to the terms specified in this Article. Lessee may effect such termination by giving Lessor a written notice of termination and by paying to Lessor any Rental Payments and other amounts which are due and have not been paid at or before the end of its then current Fiscal Year. Lessee shall endeavor to give notice of such termination not less than ninety (90) days prior to the end of the Fiscal Year for which appropriations were made, and shall notify Lessor of any anticipated termination. In the event of termination of this Agreement as provided in this Section, Lessee shall comply with the instructions received from Lessor in accordance with Section 12.3.

Section 3.3. Effect of Termination. Upon termination of this Agreement as provided in Section 3.2, Lessee shall not be responsible for the payment of any additional Rental Payments coming due in succeeding Fiscal Years, but if Lessee has not complied with the instructions received from Lessor in accordance with Section 12.3, the termination shall nevertheless be effective, but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments that would thereafter have come due if this Agreement had not been terminated and which are attributable to the number of days after which Lessee fails to comply with Lessor's instructions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required.

Section 3.4. Non-substitution. If this Agreement is terminated by Lessee in accordance with Section 3.2, to the extent permitted by State law, Lessee agrees not to purchase, lease, rent, borrow, seek appropriations for, acquire or otherwise receive the benefits of any personal property to perform the same functions as, or functions taking the place of, those performed by any of the Equipment, and agrees not to permit such functions to be performed by its own employees or by any agency or entity affiliated with or hired by Lessee, for a period of one year following such termination; provided, however, these restrictions shall not be applicable in the event the Equipment shall be sold by Lessor and the amount received from such sale, less all costs of such sale, is sufficient to pay the then applicable Prepayment Prices relating thereto as set forth in the Equipment Schedules; or to the extent the application of these restrictions is unlawful and would affect the validity of this Agreement.

Section 3.5. Termination of Lease Term. The Lease Term with respect to any Lease will terminate upon the occurrence of the first of the following events: (a) the termination of this Agreement by Lessee in accordance with Section 3.2; (b) the payment of the Prepayment Price by Lessee pursuant to Article V; (c) an Event of Default by Lessee and Lessor's election to terminate such Lease pursuant to Article XII; or (d) the payment by Lessee of all Rental Payments and all other amounts authorized or required to be paid by Lessee pursuant to such Lease.

ARTICLE IV. RENTAL PAYMENTS

Section 4.1. Rental Payments. The Lessee agrees to pay the Rental Payments due as specified in the Payment Schedule in Exhibit A. A portion of each Rental Payment is paid as interest as specified in the Payment Schedule of each lease, and the first Rental Payment will include Interest accruing from the Lease Date. Lessor is authorized to insert the due date of the first Rental Payment in the Payment Schedule in Exhibit A. All Rental Payments shall be paid to Lessor, or to such assignee(s) Lessor has assigned as stipulated in Article XI, at such places as Lessor or such assignee(s) may from time to time designate by written notice to Lessee. Lessee shall pay the Rental Payments with lawful money of the United States of America from moneys legally available therefore.

Section 4.2. Current Expense. The obligations of Lessee, including its obligation to pay the Rental Payments due in any Fiscal Year of a Lease Term, shall constitute a current expense of Lessee for such Fiscal Year and shall not constitute an indebtedness of Lessee within the meaning of the Constitution and laws of the State. Nothing herein shall constitute a pledge by Lessee of any taxes or other moneys (other than moneys lawfully appropriated from time to time by or for the benefit of Lessee for this Agreement and the Net Proceeds of the Equipment) to the payment of any Rental Payment or other amount coming due hereunder.

Section 4.3. Unconditional Rental Payments. The Lessee's obligation to make Rental Payments shall be absolute and unconditional. Also, any other payments required hereunder shall be absolute and unconditional. Lessee shall make these payments when due and shall not withhold any of these payments pending final resolution of any disputes. The Lessee shall not assert any right of set-off or counterclaim against its obligation to make these payments. Lessee's obligation to make Rental Payments or other payments shall not be abated through accident, unforeseen circumstances, failure of the Equipment to perform as desired, damage or destruction to the Equipment, loss of possession of the Equipment or obsolescence of the Equipment. The Lessee shall be obligated to continue to make payments required of it by this Agreement if title to, or temporary use of, the Equipment or any part thereof shall be taken under exercise of the power of eminent domain.

ARTICLE V. OPTION TO PREPAY

Section 5.1. Option to Prepay. Lessee shall have the option to prepay its obligations under any Lease in whole but not in part on any Payment Date for the then applicable Prepayment Price as set forth in the related Payment Schedule, provided there has been no Non-Appropriation or Event of Default.

Section 5.2. Exercise of Option. Lessee shall give notice to Lessor of its intention to exercise its option not less than thirty (30) days prior to the Payment Date on which the option will be exercised and shall pay to Lessor not later than such Payment Date an amount equal to all Rental Payments and any other amounts then due or past due under the related Lease (including the Rental Payment due on the Payment Date on which the option shall be effective) and the applicable Prepayment Price set forth in the related Payment Schedule. In the event that all such amounts are not received by Lessor on such Payment Date, such notice by Lessee of exercise thereof shall be void and the related Lease shall continue in full force and effect.

Section 5.3. Release of Lessor's Interest. Upon receipt of the Prepayment Price in good funds with respect to any Equipment Group, the Lease with respect to such Equipment Group shall terminate and Lessee shall become entitled to such Equipment Group AS IS, WHERE IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR

ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE, except that such Equipment Group shall not be subject to any lien or encumbrance created by or arising through Lessor.

ARTICLE VI. REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 6.1. Representations and Warranties of Lessee. Lessee represents and warrants as of the Agreement Date and as of each Lease Date as follows:

(a) Lessee is a state or political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the Constitution and laws of the State, and is authorized under the Constitution and laws of the State to enter into this Agreement, each Lease and the transactions contemplated hereby and thereby, and to perform all of its obligations under this Agreement and each Lease.

(b) The execution and delivery of this Agreement and each Lease have been duly authorized by all necessary action of Lessee's governing body and such action is in compliance with all public bidding and other State and federal laws applicable to this Agreement, each Lease and the acquisition and financing of the Equipment by Lessee.

(c) This Agreement and each Lease have been duly executed and delivered by and constitutes the valid and binding obligation of Lessee, enforceable against Lessee in accordance with their respective terms.

(d) The execution, delivery and performance of this Agreement and each Lease by Lessee shall not (i) violate any State or federal law or local law or ordinance, or any order, writ, injunction, decree, or regulation of any court or other governmental agency or body applicable to Lessee, or (ii) conflict with or result in the breach or violation of any term or provision of, or constitute a default under, any note, bond, mortgage, indenture, agreement, deed of trust, lease or other obligation to which Lessee is bound.

(e) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this Agreement or any Lease or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Agreement or any Lease.

(f) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time during the past ten (10) years has been terminated by Lessee as a result of insufficient funds being appropriated in any Fiscal Year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation, which Lessee has issued during the past ten (10) years.

(g) Lessee or Lessee's governing body has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments during the current Fiscal Year, and such moneys will be applied in payment of all Rental Payments due and payable during such current Fiscal Year.

(h) Lessee has an immediate need for, and expects to make immediate use of, the Equipment, which need is not temporary or expected to diminish during the applicable Lease Term. Lessee presently intends to continue each Lease hereunder for its entire Lease Term and to pay all Rental Payments relating thereto.

Section 6.2. Covenants of Lessee. Lessee agrees that so long as any Rental Payments or other amounts due under this Agreement remain unpaid:

(a) Lessee shall not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or regulation or in a manner contrary to that contemplated by this Agreement. Lessee shall obtain and maintain all permits and licenses necessary for the installation and operation of the Equipment. Lessee shall not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition would change or impair the originally intended functions, value or use of such Equipment.

(b) Lessee shall provide Lessor access at all reasonable times to examine and inspect the Equipment and provide Lessor with such access to the Equipment as may be reasonably necessary to perform maintenance on the Equipment in the event of failure by Lessee to perform its obligations hereunder.

(c) Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other claim with respect to the Equipment, other than the respective rights of Lessor and Lessee as herein provided. Lessee shall promptly, at its own expense, take such actions as may be necessary duly to discharge or remove any such claim if the same shall arise at any time. Lessee shall reimburse Lessor for any expense incurred by Lessor in order to discharge or remove any such claim.

(d) The person or entity in charge of preparing Lessee's budget will include in the budget request for each Fiscal Year the Rental Payments to become due during such Fiscal Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Fiscal Year sufficient to pay all Rental Payments coming due therein. Lessor acknowledges that appropriation for Rental Payments is a governmental function, which Lessee cannot contractually commit itself in advance to perform. Lessee acknowledges that this Agreement does not constitute such a commitment. However, Lessee reasonably believes that moneys in an amount sufficient to make all Rental Payments can and will lawfully be appropriated and made available to permit Lessee's continued utilization of the Equipment in the performance of its essential functions during the applicable Lease Terms.

(e) Lessee shall assure that its obligation to pay Rental Payments is not directly or indirectly secured by any interest in property, other than the Equipment, and that the Rental Payments will not be directly or indirectly secured by or derived from any payments of any type or any fund other than Lessee's general purpose fund.

(f) Upon Lessor's request, Lessee shall provide Lessor with current financial statements, budgets, and proof of appropriation for the ensuing Fiscal Year and such other financial information relating to the ability of Lessee to continue this Agreement and each Lease as may be reasonably requested by Lessor.

(g) Lessee shall promptly and duly execute and deliver to Lessor such further documents, instruments and assurances and take such further action as Lessor may from time to time reasonably request in order to carry out the intent and purpose of this Agreement and to establish and protect the rights and remedies created or intended to be created in favor of Lessor hereunder.

Section 6.3. Tax Related Representations, Warranties and Covenants.

(a) *Incorporation of Tax Agreement and Arbitrage Certificate.* As of each Lease Date and with respect each Lease, Lessee makes each of the representations, warranties and covenants contained in the Tax Agreement and Arbitrage Certificate delivered with respect to such Lease. By this reference each such Tax Agreement and Arbitrage Certificate is incorporated in and made a part of this Agreement.

(b) *Event of Taxability.* If Lessor either (i) receives notice, in any form, from the Internal Revenue Service or (ii) reasonably determines, based on an opinion of independent tax counsel selected by Lessor, that Lessor may not exclude any Interest paid under any Lease from its Federal gross income (each an "Event of Taxability"), the Lessee shall pay to Lessor upon demand (x) an amount which, with respect to Rental Payments previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the Interest due through the date of such event), will restore to Lessor its after-tax yield (assuming tax at the highest marginal tax rate and taking into account the time of receipt of Rental Payments and reinvestment at the after-tax yield rate) on the transaction evidenced by such Lease through the date of such event and (y) as additional Rental Payments to Lessor on each succeeding Payment Date such amount as will maintain such after-tax yield to Lessor.

ARTICLE VII. INSURANCE AND RISK OF LOSS

Section 7.1. Liability and Property Insurance. Lessee shall, at its own expense, procure and maintain continuously in effect during each Lease Term: (a) public liability insurance for death or injuries to persons, or damage to property arising out of or in any way connected to the Equipment sufficient to protect Lessor and/or assigns from liability in all events, with a coverage of not less than $1,000,000 per occurrence unless specified differently in the related Equipment Schedule, and (b) insurance against such hazards as Lessor may require, including, but not limited to, all-risk casualty and property insurance, in an amount equal to the greater of the full replacement cost of the Equipment or the applicable Prepayment Price of each Equipment Group.

Section 7.2. Workers' Compensation Insurance. If required by State law, Lessee shall carry workers' compensation insurance covering all employees on, in, near or about the Equipment, and upon request, shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term.

Section 7.3. Insurance Requirements.

(a) *Insurance Policies.* All insurance policies required by this Article shall be taken out and maintained with insurance companies acceptable to Lessor and shall contain a provision that thirty (30) days prior to any change in the coverage the insurer must provide written notice to the insured parties. No insurance shall be subject to any co-insurance clause. Each insurance policy shall name Lessor and/or its assigns as an additional insured party and loss payee regardless of any breach of warranty or other act or omission of Lessee and shall include a lender's loss payable endorsement for the benefit of Lessor and/or is assigns. Prior to the delivery of Equipment, Lessee shall deposit with Lessor evidence satisfactory to Lessor of such insurance and, prior to the expiration thereof, shall provide Lessor evidence of all renewals or replacements thereof.

(b) *Self Insurance.* With Lessor's prior consent, Lessee may self-insure the Equipment by means of an adequate insurance fund set aside and maintained for that purpose which must be fully described in a letter delivered to Lessor in form acceptable to Lessor.

(c) *Evidence of Insurance.* Lessee shall deliver to Lessor upon acceptance of any Equipment evidence of insurance which complies with this Article VII with respect to such Equipment to the satisfaction of Lessor, including, without limitation, the confirmation of insurance in the form of Exhibit G-1 attached hereto together with Certificates of Insurance, when available, or the Questionnaire for Self-Insurance and Addendum to Equipment Schedule Relating to Self-Insurance in the form of Exhibit G-2 attached hereto, as applicable.

Section 7.4. Risk of Loss. To the extent permitted by the applicable laws of the State, as between Lessor and Lessee, Lessee assumes all risks and liabilities from any cause whatsoever, whether or not covered by insurance, for loss or damage to any Equipment and for injury to or death of any person or damage to any property. Whether or not covered by insurance, Lessee hereby assumes responsibility for and agrees to indemnify Lessor from all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses, including reasonable attorneys' fees, imposed on, incurred by or asserted against Lessor that relate to or arise out of this Agreement, including but not limited to, (a) the selection, manufacture, purchase, acceptance or rejection of Equipment or the ownership of the Equipment, (b) the delivery, lease, possession, maintenance, use, condition, return or operation of the Equipment, (c) the condition of the Equipment sold or otherwise disposed of after possession by Lessee, (d) the conduct of Lessee, its officers, employees and agents, (e) a breach of Lessee of any of its covenants or obligations hereunder, (f) any claim, loss, cost or expense involving alleged damage to the environment relating to the Equipment, including, but not limited to investigation, removal, cleanup and remedial costs, and (g) any strict liability under the laws or judicial decisions of any state or the United States. This provision shall survive the termination of this Agreement.

Section 7.5. Destruction of Equipment. Lessee shall provide a complete written report to Lessor immediately upon any loss, theft, damage or destruction of any Equipment and of any accident involving any Equipment. Lessor may inspect the Equipment at any time and from time to time during regular business hours. If all or any part of the Equipment is stolen, lost, destroyed or damaged beyond repair ("Damaged Equipment"), Lessee shall within thirty (30) days after such event either: (a) replace the same at Lessee's sole expense with equipment having substantially similar Specifications and of equal or greater value to the Damaged Equipment immediately prior to the time of the loss occurrence, such replacement equipment to be subject to Lessor's approval, whereupon such replacement equipment shall be substituted in the applicable Lease and the other related documents by appropriate endorsement or amendment; or (b) pay the applicable Prepayment Price of the Damaged Equipment determined as set forth in the related Equipment Schedule. Lessee shall notify Lessor of which course of action it will take within fifteen (15) days after the loss occurrence. If, within forty-five (45) days of the loss occurrence, (a) Lessee fails to notify Lessor; (b) Lessee and Lessor fail to execute an amendment to the applicable Equipment Schedule to delete the Damaged Equipment and add the replacement equipment or (c) Lessee has failed to pay the applicable Prepayment Price, then Lessor may, at its sole discretion, declare the applicable Prepayment Price of the Damaged Equipment, to be immediately due and payable. The Net Proceeds of insurance with respect to the Damaged Equipment shall be made available by Lessor to be applied to discharge Lessee' obligation under this Section.

ARTICLE VIII. OTHER OBLIGATIONS OF LESSEE

Section 8.1. Maintenance of Equipment. Lessee shall notify Lessor in writing prior to moving the Equipment to another address and shall otherwise keep the Equipment at the address specified in the related Equipment Schedule. Lessee shall, at its own expense, maintain the Equipment in proper working order and shall make all necessary repairs and replacements to keep the Equipment in such condition including compliance with State and federal laws. Any and all replacement parts must be free of encumbrances and liens. All such replacement parts and accessories shall be deemed to be incorporated immediately into and to constitute an integral portion of the Equipment and as such, shall be subject to the terms of this Agreement.

Section 8.2. Taxes. Lessee shall pay all taxes and other charges which are assessed or levied against the Equipment, the Rental Payments or any part thereof, or which become due during the Lease Term, whether assessed against Lessee or Lessor, except as expressly limited by this Section. Lessee shall pay all utilities and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment, and all special assessments and charges lawfully made by any governmental body that may be secured by a lien on the Equipment. Lessee shall not be required to pay any federal, state or local income, succession, transfer, franchise, profit, excess profit, capital stock, gross receipts, corporate, or other similar tax payable by Lessor, its successors or assigns, unless such tax is made as a substitute for any tax, assessment or charge which is the obligation of Lessee under this Section.

Section 8.3. Advances. If Lessee shall fail to perform any of its obligations under this Article, Lessor may take such action to cure such failure, including the advancement of money, and Lessee shall be obligated to repay all such advances on demand, with interest at the rate of 18% per annum or the maximum rate permitted by law, whichever is less, from the date of the advance to the date of repayment.

ARTICLE IX. TITLE

Section 9.1. Title. During the Lease Term, ownership and legal title of all Equipment and all replacements, substitutions, repairs and modification shall be in Lessee and Lessee shall take all action necessary to vest such ownership and title in Lessee. Lessor does not own the Equipment and by this Agreement and each Lease is merely financing the acquisition of such equipment for Lessee. Lessor has not been in the chain of title of the Equipment, does not operate, control or have possession of the Equipment and has no control over the Lessee or the Lessee's operation, use, storage or maintenance of the Equipment.

Section 9.2. Security Interest. Lessee hereby grants to Lessor a continuing, first priority security interest in and to the Equipment, all repairs, replacements, substitutions and modifications thereto and all proceeds thereof and in the Escrow Account (if any) in order to secure Lessee's payment of all Rental Payments and the performance of all other obligations. Lessee hereby authorizes Lessor to prepare and file such financing statements and other such documents to establish and maintain Lessor's valid first lien and perfected security interest. Lessee will join with Lessor in executing such documents and will perform such acts as Lessor may request to establish and maintain Lessor's valid first lien and perfected security interest. If requested by Lessor, Lessee shall obtain a landlord and/or mortgagee's consent and waiver with respect to the Equipment. If requested by Lessor, Lessee shall conspicuously mark the Equipment, and maintain such markings during the Lease Term, to clearly disclose Lessor's security interest in the Equipment. Upon termination of a Lease through exercise of Lessee's option to prepay pursuant to Article V or through payment by Lessee of all Rental Payments and other amounts due with respect to an Equipment Group, Lessor's security interest in such Equipment Group shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may reasonably request to evidence the termination of Lessor's security interest in such Equipment Group.

Section 9.3. Modification of Equipment. Lessee will not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition will change or impair the originally intended value, function or use of the Equipment.

Section 9.4. Personal Property. The Equipment is and shall at all times be and remain personal property and not fixtures.

ARTICLE X. WARRANTIES

Section 10.1. Selection of Equipment. Each Vendor and all of the Equipment have been selected by Lessee. Lessor shall have no responsibility in connection with the selection of the Equipment, the ordering of the Equipment, its suitability for the use intended by Lessee, the acceptance by any Vendor or its sales representative of any order submitted, or any delay or failure by such Vendor or its sales representative to manufacture, deliver or install any Equipment for use by Lessee.

Section 10.2. Vendor's Warranties. Lessor hereby assigns to Lessee for and during the related Lease Term, all of its interest, if any, in all Vendor's warranties, guarantees and patent indemnity protection, express or implied issued on or applicable to an Equipment Group, and Lessee may obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense. Lessor has no obligation to enforce any Vendor's warranties or obligations on behalf of itself or Lessee.

Section 10.3. Disclaimer of Warranties. LESSEE ACKNOWLEDGES THAT THE EQUIPMENT IS OF A SIZE, DESIGN, CAPACITY, AND MANUFACTURE SELECTED BY LESSEE. LESSEE ACKNOWLEDGES THAT IT SELECTED THE EQUIPMENT WITHOUT ASSISTANCE OF LESSOR, ITS AGENTS OR EMPLOYEES. LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT, AND DOES NOT INSPECT THE EQUIPMENT BEFORE DELIVERY TO LESSEE. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE,

DESIGN, CONDITION, QUALITY, DURABILITY, SUITABILITY, MERCHANT-ABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE OF THE EQUIPMENT, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE EQUIPMENT. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EQUIPMENT OR LESSEE'S USE OF THE EQUIPMENT.

ARTICLE XI. ASSIGNMENT AND SUBLEASING

Section 11.1. Assignment by Lessor. Lessor, without Lessee's consent, may assign and reassign all of Lessor's right, title and/or interest in and to this Agreement or any Lease, including, but not limited to, the Rental Payments and other amounts payable by Lessee and Lessor's interest in the Equipment, in whole or in part to one or more assignees or subassignee(s) by Lessor at any time. No such assignment shall be effective as against Lessee unless and until written notice of the assignment is provided to Lessee. When presented with a notice of assignment, Lessee will acknowledge in writing receipt of such notice for the benefit of Lessor and any assignee. Lessee shall keep a complete and accurate record of all such assignments.

Section 11.2. Assignment and Subleasing by Lessee. Neither this Agreement nor any Lease or any Equipment may be assigned, subleased, sold, transferred, pledged or mortgaged by Lessee.

ARTICLE XII. EVENTS OF DEFAULT AND REMEDIES

Section 12.1. Events of Default Defined. The occurrence of any of the following events shall constitute an Event of Default under this Agreement and each Lease:

(a) Lessee's failure to pay, within ten (10) days following the due date thereof, any Rental Payment or other amount required to be paid to Lessor (other than by reason of Non-Appropriation).

(b) Lessee's failure to maintain insurance as required by Article VII.

(c) With the exception of the above clauses (a) & (b), Lessee's failure to perform or abide by any condition, agreement or covenant for a period of thirty (30) days after written notice by Lessor to Lessee specifying such failure and requesting that it be remedied, unless Lessor shall agree in writing to an extension of time prior to its expiration.

(d) Lessor's determination that any representation or warranty made by Lessee in this Agreement was untrue in any material respect upon execution of this Agreement or any Equipment Schedule.

(e) The occurrence of an Event of Taxability.

(f) The filing of a petition in bankruptcy by or against Lessee, or failure by Lessee promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of Lessee to carry on its governmental functions or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of any adjustment of indebtedness of Lessee, or the dissolution or liquidation of Lessee.

Section 12.2. Remedies on Default. Upon the occurrence of any Event of Default, Lessor shall have the right, at its option and without any further demand or notice to one or more or all of the following remedies:

(a) Lessor, with or without terminating this Agreement or any Lease, may declare all Rental Payments immediately due and payable by Lessee, whereupon such Rental Payments shall be immediately due and payable.

(b) Lessor, with or without terminating this Agreement or any Lease, may repossess any or all of the Equipment by giving Lessee written notice to deliver such Equipment in the manner provided in Section 12.3; or in the event Lessee fails to do so within ten (10) days after receipt of such notice, Lessor may enter upon Lessee's premises where such Equipment is kept and take possession of such Equipment and charge Lessee for costs incurred, including reasonable attorneys' fees. Lessee hereby expressly waives any damages occasioned by such repossession. If the Equipment or any portion has been destroyed, Lessee shall pay the applicable Prepayment Price of the destroyed Equipment as set forth in the related Payment Schedule. Regardless of the fact that Lessor has taken possession of the Equipment, Lessee shall continue to be responsible for the Rental Payments due during the Fiscal Year.

(c) If Lessor terminates this Agreement and/or any Lease and, in its discretion, takes possession and disposes of any or all of the Equipment, Lessor shall apply the proceeds of any such disposition to pay the following items in the following order: (i) all costs (including, but not limited to, attorneys' fees) incurred in securing possession of the Equipment; (ii) all expenses incurred in completing the disposition; (iii) any sales or transfer taxes; (iv) the applicable Prepayment Prices of the Equipment Groups; and (v) the balance of any Rental Payments owed by Lessee during the Fiscal Year then in effect. Any disposition proceeds remaining after the requirements of Clauses (i), (ii), (iii), (iv) and (v) have been met shall be paid to Lessee.

(d) Lessor may take any other remedy available, at law or in equity, with respect to such Event of Default, including those requiring Lessee to perform any of its obligations or to pay any moneys due and payable to Lessor and Lessee shall pay the reasonable attorneys' fees and expenses incurred by Lessor in enforcing any remedy hereunder.

(e) Each of the foregoing remedies is cumulative and may be enforced separately or concurrently.

Section 12.3. Return of Equipment: Release of Lessee's Interest. Upon termination of any Lease prior to the payment of all related Rental Payments or the applicable Prepayment Price (whether as result of Non-Appropriation or Event of Default, Lessee shall, within ten (10) days after such termination, at its own expense: (a) perform any testing and repairs required to place the related Equipment in the condition required by Article VIII; (b) if deinstallation, disassembly or crating is required, cause such Equipment to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lessor; and (c) return such Equipment to a location specified by Lessor, freight and insurance prepaid by Lessee. If Lessee refuses to return such Equipment in the manner designated, Lessor may repossess the Equipment without demand or notice and without court order or legal process and charge Lessee the costs of such repossession. Upon termination of this Agreement in accordance with Article III or Article XII hereof, at the election of Lessor and upon Lessor's written notice to Lessee, full and unencumbered legal title and ownership of the Equipment shall pass to Lessor. Lessee shall have no further interest therein. Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title and ownership to Lessor and termination of Lessee's interest in the Equipment.

Section 12.4 Late Charge. Lessor shall have the right to require late payment charge for each Rental or any other amount due hereunder which is not paid within 10 days of the date when due equal to the lesser of 5% of each late payment or the legal maximum. This Section is only applicable to the extent it does not affect the validity of this Agreement.

ARTICLE XIII. MISCELLANEOUS PROVISIONS

Section 13.1. Notices. All written notices to be given under this Agreement shall be given by mail to the party entitled thereto at its address specified beneath each party's signature, or at such address as the party may provide to the other parties hereto in writing from time to time. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail in registered or certified form, with postage fully prepaid, or, if given by other means, when delivered at the address specified in this Section 13.1.

Section 13.2. Binding Effect. This Agreement and each Lease hereunder shall be binding upon and shall inure to the benefit of Lessor and Lessee and their respective successors and assigns. Specifically, as used herein the term "Lessor" means any person or entity to whom Lessor has assigned its right to receive Rental Payments under any Lease.

Section 13.3. Severability. In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.4. Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous writings, understandings, agreements, solicitation documents and representations, express or implied. This Agreement may be amended or modified only by written documents duly authorized, executed and delivered by Lessor and Lessee.

Section 13.5. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions, Articles, Sections or Clauses hereof.

Section 13.6. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Equipment hereby leased or intended so to be, or for otherwise carrying out the expressed intention of this Agreement. Lessee hereby authorizes Lessor to file any financing statement or supplements thereto as may be reasonably required for correcting any inadequate description of the Equipment hereby leased or intended so to be, or for otherwise carrying out the expressed intention of this Agreement.

Section 13.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 13.8. Usury. It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary herein or in any Equipment Schedule, in no event shall this Agreement or any Lease hereunder require the payment or permit the collection of Interest or any amount in the nature of Interest or fees in excess of the maximum amount permitted by applicable law. Any such excess Interest or fees shall first be applied to reduce Principal, and when no Principal remains, refunded to Lessee. In determining whether the Interest paid or payable exceeds the highest lawful rate, the total amount of Interest shall be spread through the applicable Lease Term so that the Interest is uniform through such term.

Section 13.9. Delayed Closing. In the event of a delayed closing, Lessor will benefit from the interest that accrues between the Commencement Date and the Closing Date.

Section 13.10. Lessee's Performance. A failure or delay of Lessor to enforce any of the provisions of this Agreement or any Lease shall in no way be construed to be a waiver of such provision.

RAW **Section 13.11. Waiver of Jury Trial.** ~~Lessor and Lessee hereby waive any right to trial by jury in any action or proceeding with respect to, in connection with or arising out of this Agreement.~~

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

EXECUTION PAGE OF MASTER LEASE AGREEMENT

LEASE NUMBER: ____________

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Agreement to be executed in its name by its duly authorized officer.

CITY OF CLINTON, MS
Lessee

By: Rosemary G. Aultman

Name: Rosemary G. Aultman
Title: Mayor

Date: March 21, 2012

Address: 300 Jefferson Street
Clinton, MS 39056

Telephone: 601-924-5474
Facsimile: 601-925-4605

LEASING 2, INC.
Lessor

By: ____________________

Name:
Title:

Date: ____________________

Address: 1720 West Cass Street
Tampa, FL 33606-1230

Telephone: 813-258-9888
Facsimile: 813-258-9333

EXHIBIT A

EQUIPMENT SCHEDULE NO. 01
TO MASTER LEASE NUMBER: ____________

The following Equipment comprises an Equipment Group which is the subject of the Master Lease Agreement dated as **March 15, 2012** (the "Agreement") between the undersigned Lessor and Lessee. The Agreement is incorporated herein in its entirety, and Lessee hereby reaffirms each of its representations, warranties and covenants contained in the Agreement. Lessee warrants that no Non-Appropriation and no Event of Default, or event which, with the passage of time or the giving of notice or both, would constitute an Event of Default, has occurred under the Agreement. An Acceptance Certificate and Payment Schedule are attached to this Equipment Schedule and by reference are made a part hereof. The terms capitalized in this Equipment Schedule but not defined herein shall have the meanings assigned to them in the Agreement.

EQUIPMENT GROUP

The cost of the Equipment Group to be funded by Lessee under this Lease is **Four hundred forty three thousand one hundred ten dollars and 00/100** (the "Acquisition Cost"). The Equipment Group consists of the following Equipment which has been or shall be purchased from the Vendor(s) named below for the prices set forth below:

E-One Typhoon Custom Pumper **VIN:________________________**

The Equipment Group is or will be located at the following address(es). Prior to relocation of the Equipment Group or any portion thereof during the Lease Term, Lessee will provide written notice to Lessor:

910 Old Vicksburg Road, Clinton, MS 39056

VENDOR TERMS

Lessor shall have funds not immediately paid to vendor(s) at closing deposited in an "Escrow Account" in order to facilitate payment to vendors for equipment deliveries that are scheduled to occur according to the following schedule:

PAYMENT TYPE	AMOUNT	PAYMENT NO EARLIER THAN
Final pumper payment	$443,110.00	Upon delivery & acceptance

EQUIPMENT SCHEDULE LEASE DATE: March 15, 2012

CITY OF CLINTON, MS
Lessee

By: Rosemary G. Aultman
Name: Rosemary G. Aultman
Title: Mayor
Date: March 21, 2012

Address: 300 Jefferson Street
Clinton, MS 39056

Telephone: 601-924-5474
Facsimile: 601-925-4605

LEASING 2, INC.
Lessor

By:____________________
Name:
Title:
Date:____________________

Address: 1720 West Cass Street
Tampa, FL 33606-1230

Telephone: 813-258-9888
Facsimile: 813-258-9333

Lease No.: __________
Equipment Schedule: 01

ACCEPTANCE OF OBLIGATION
TO COMMENCE RENTAL PAYMENTS UNDER PAYMENT SCHEDULE

RE: Master Lease Agreement dated March 15, 2012, between Leasing 2, Inc. (Lessor) and City of Clinton, MS (Lessee)

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and have been given the authority by the governing body of Lessee to sign this Acceptance of Obligation to Commence Rental Payments with respect to the above referenced Lease. I hereby certify that:

1. The Equipment described in the Equipment Schedule has not been delivered, installed or available for use as of the Lease Date of this Equipment Schedule;

2. Lessee acknowledges that Lessor has agreed to deposit into an Escrow Account an amount sufficient to pay the total cost of the Equipment identified in Exhibit A upon delivery;

3. The principal amount of the Rental Payments in the Payment Schedule accurately reflects the cost of the Equipment;

4. Lessee agrees to execute an Acceptance Certificate and Payment Request Form authorizing payment of the cost of the Equipment, or a portion hereof, for each withdrawal of funds from the Escrow Account.

Notwithstanding that the Equipment has not been delivered to, or accepted by, Lessee on the Lease Date hereby warrants that:

(a) Lessee's obligation to commence Rental Payments as set forth in Payment Schedule is absolute and unconditional as of the Lease Date and on each date set forth in Payment Schedule thereafter, subject to the terms and conditions of the Lease;

(b) immediately upon delivery and acceptance of all the Equipment, Lessee will notify Lessor of Lessee's final acceptance of the Equipment by delivering to Lessor the "Acceptance Certificate" in the form attached to the Equipment Schedule;

(c) in the event that any surplus amount is on deposit in the Escrow Account and the Agreement is terminated pursuant to Section 3.2 (Termination by Lessee) or Section 12.1 (Event of Default) thereof, those amounts shall be forwarded to Lessor or its assignee, if assigned, to be applied as provided in the Agreement. Lessee shall have no further interest therein. Any surplus amount remaining after payment of all of the Equipment to be leased under the Agreement will be forwarded to Lessor, or to its assignee, if assigned, for application toward the next Rental Payment due.

(d) regardless of whether Lessee delivers a final Acceptance Certificate, all Rental Payments paid prior to delivery of all the Equipment shall be credited to Rental Payments as they become due under the Lease as set forth in Payment Schedule.

Notwithstanding any other provision of this Acceptance of Obligation, the Lease shall remain in full force and effect with respect to all or the portion of the Equipment accepted by Lessee as provided in this Lease.

CITY OF CLINTON, MS
Lessee

By: Rosemary G. Aultman

Name: Rosemary G. Aultman
Title: Mayor

Date: March 21, 2012

Lease No.: ____________
Equipment Schedule: 01

PAYMENT SCHEDULE

The Lease Date with respect to the above referenced Equipment Group shall be **March 15, 2012**. The Annual Interest Rate applicable to the Equipment Group shall be **2.51%**. Lessee will make Rental Payments each consisting of Principal and Interest as set forth below for a term of **Ten (10)** years. The first Rental Payment is due on **April 15, 2012** and subsequent payments are due **monthly** on like date thereafter.

Payment Number	Payment Date	Total Payment	Interest Component	Principal Component	Prepayment Price*
1	4/15/2012	$ 4,178.40	$ 925.36	$ 3,253.04	$ 450,392.53
2	5/15/2012	$ 4,178.40	$ 918.56	$ 3,259.84	$ 447,005.58
3	6/15/2012	$ 4,178.40	$ 911.76	$ 3,266.64	$ 443,612.35
4	7/15/2012	$ 4,178.40	$ 904.93	$ 3,273.47	$ 440,212.85
5	8/15/2012	$ 4,178.40	$ 898.10	$ 3,280.30	$ 436,807.06
6	9/15/2012	$ 4,178.40	$ 891.25	$ 3,287.15	$ 433,394.97
7	10/15/2012	$ 4,178.40	$ 884.38	$ 3,294.02	$ 429,976.56
8	11/15/2012	$ 4,178.40	$ 877.50	$ 3,300.90	$ 426,551.84
9	12/15/2012	$ 4,178.40	$ 870.61	$ 3,307.79	$ 423,120.77
10	1/15/2013	$ 4,178.40	$ 863.70	$ 3,314.70	$ 419,683.36
11	2/15/2013	$ 4,178.40	$ 856.78	$ 3,321.62	$ 416,239.59
12	3/15/2013	$ 4,178.40	$ 849.84	$ 3,328.56	$ 412,789.45
13	4/15/2013	$ 4,178.40	$ 842.89	$ 3,335.51	$ 409,332.93
14	5/15/2013	$ 4,178.40	$ 835.93	$ 3,342.47	$ 405,870.02
15	6/15/2013	$ 4,178.40	$ 828.95	$ 3,349.45	$ 402,400.70
16	7/15/2013	$ 4,178.40	$ 821.95	$ 3,356.45	$ 398,924.95
17	8/15/2013	$ 4,178.40	$ 814.94	$ 3,363.46	$ 395,442.78
18	9/15/2013	$ 4,178.40	$ 807.92	$ 3,370.48	$ 391,954.16
19	10/15/2013	$ 4,178.40	$ 800.88	$ 3,377.52	$ 388,459.10
20	11/15/2013	$ 4,178.40	$ 793.83	$ 3,384.57	$ 384,957.56
21	12/15/2013	$ 4,178.40	$ 786.76	$ 3,391.64	$ 381,449.55
22	1/15/2014	$ 4,178.40	$ 779.68	$ 3,398.72	$ 377,935.04
23	2/15/2014	$ 4,178.40	$ 772.58	$ 3,405.82	$ 374,414.04
24	3/15/2014	$ 4,178.40	$ 765.47	$ 3,412.93	$ 370,886.52
25	4/15/2014	$ 4,178.40	$ 758.34	$ 3,420.06	$ 367,352.48
26	5/15/2014	$ 4,178.40	$ 751.20	$ 3,427.20	$ 363,811.90
27	6/15/2014	$ 4,178.40	$ 744.04	$ 3,434.36	$ 360,264.77
28	7/15/2014	$ 4,178.40	$ 736.87	$ 3,441.53	$ 356,711.07
29	8/15/2014	$ 4,178.40	$ 729.68	$ 3,448.72	$ 353,150.80
30	9/15/2014	$ 4,178.40	$ 722.48	$ 3,455.92	$ 349,583.95
31	10/15/2014	$ 4,178.40	$ 715.26	$ 3,463.14	$ 346,010.50
32	11/15/2014	$ 4,178.40	$ 708.03	$ 3,470.37	$ 342,430.43
33	12/15/2014	$ 4,178.40	$ 700.78	$ 3,477.62	$ 338,843.74
34	1/15/2015	$ 4,178.40	$ 693.52	$ 3,484.88	$ 335,250.41
35	2/15/2015	$ 4,178.40	$ 686.24	$ 3,492.16	$ 331,650.44
36	3/15/2015	$ 4,178.40	$ 678.95	$ 3,499.45	$ 328,043.81
37	4/15/2015	$ 4,178.40	$ 671.64	$ 3,506.76	$ 324,430.50
38	5/15/2015	$ 4,178.40	$ 664.32	$ 3,514.08	$ 320,810.51
39	6/15/2015	$ 4,178.40	$ 656.98	$ 3,521.42	$ 317,183.82
40	7/15/2015	$ 4,178.40	$ 649.63	$ 3,528.77	$ 313,550.43
41	8/15/2015	$ 4,178.40	$ 642.26	$ 3,536.14	$ 309,910.32
42	9/15/2015	$ 4,178.40	$ 634.87	$ 3,543.53	$ 306,263.47
43	10/15/2015	$ 4,178.40	$ 627.47	$ 3,550.93	$ 302,609.88
44	11/15/2015	$ 4,178.40	$ 620.06	$ 3,558.34	$ 298,949.53

45	12/15/2015	$	4,178.40	$	612.63	$	3,565.77	$	295,282.40
46	1/15/2016	$	4,178.40	$	605.18	$	3,573.22	$	291,608.48
47	2/15/2016	$	4,178.40	$	597.72	$	3,580.68	$	287,927.77
48	3/15/2016	$	4,178.40	$	590.24	$	3,588.16	$	284,240.25
49	4/15/2016	$	4,178.40	$	582.75	$	3,595.65	$	280,545.91
50	5/15/2016	$	4,178.40	$	575.24	$	3,603.16	$	276,844.74
51	6/15/2016	$	4,178.40	$	567.71	$	3,610.69	$	273,136.71
52	7/15/2016	$	4,178.40	$	560.17	$	3,618.23	$	269,421.83
53	8/15/2016	$	4,178.40	$	552.62	$	3,625.78	$	265,700.08
54	9/15/2016	$	4,178.40	$	545.04	$	3,633.36	$	261,971.45
55	10/15/2016	$	4,178.40	$	537.46	$	3,640.94	$	258,235.91
56	11/15/2016	$	4,178.40	$	529.85	$	3,648.55	$	254,493.47
57	12/15/2016	$	4,178.40	$	522.23	$	3,656.17	$	250,744.09
58	1/15/2017	$	4,178.40	$	514.60	$	3,663.80	$	246,987.78
59	2/15/2017	$	4,178.40	$	506.95	$	3,671.45	$	243,224.52
60	3/15/2017	$	4,178.40	$	499.28	$	3,679.12	$	239,454.30
61	4/15/2017	$	4,178.40	$	491.60	$	3,686.80	$	235,677.11
62	5/15/2017	$	4,178.40	$	483.90	$	3,694.50	$	231,892.93
63	6/15/2017	$	4,178.40	$	476.18	$	3,702.22	$	228,101.74
64	7/15/2017	$	4,178.40	$	468.45	$	3,709.95	$	224,303.55
65	8/15/2017	$	4,178.40	$	460.70	$	3,717.70	$	220,498.32
66	9/15/2017	$	4,178.40	$	452.94	$	3,725.46	$	216,686.06
67	10/15/2017	$	4,178.40	$	445.16	$	3,733.24	$	212,866.74
68	11/15/2017	$	4,178.40	$	437.36	$	3,741.04	$	209,040.36
69	12/15/2017	$	4,178.40	$	429.55	$	3,748.85	$	205,206.90
70	1/15/2018	$	4,178.40	$	421.72	$	3,756.68	$	201,366.35
71	2/15/2018	$	4,178.40	$	413.88	$	3,764.52	$	197,518.69
72	3/15/2018	$	4,178.40	$	406.02	$	3,772.38	$	193,663.91
73	4/15/2018	$	4,178.40	$	398.14	$	3,780.26	$	189,802.01
74	5/15/2018	$	4,178.40	$	390.24	$	3,788.16	$	185,932.96
75	6/15/2018	$	4,178.40	$	382.33	$	3,796.07	$	182,056.75
76	7/15/2018	$	4,178.40	$	374.40	$	3,804.00	$	178,173.37
77	8/15/2018	$	4,178.40	$	366.46	$	3,811.94	$	174,282.81
78	9/15/2018	$	4,178.40	$	358.50	$	3,819.90	$	170,385.05
79	10/15/2018	$	4,178.40	$	350.52	$	3,827.88	$	166,480.08
80	11/15/2018	$	4,178.40	$	342.53	$	3,835.87	$	162,567.88
81	12/15/2018	$	4,178.40	$	334.52	$	3,843.88	$	158,648.45
82	1/15/2019	$	4,178.40	$	326.49	$	3,851.91	$	154,721.76
83	2/15/2019	$	4,178.40	$	318.45	$	3,859.95	$	150,787.81
84	3/15/2019	$	4,178.40	$	310.39	$	3,868.01	$	146,846.59
85	4/15/2019	$	4,178.40	$	302.31	$	3,876.09	$	142,898.07
86	5/15/2019	$	4,178.40	$	294.21	$	3,884.19	$	138,942.25
87	6/15/2019	$	4,178.40	$	286.10	$	3,892.30	$	134,979.11
88	7/15/2019	$	4,178.40	$	277.97	$	3,900.43	$	131,008.64
89	8/15/2019	$	4,178.40	$	269.83	$	3,908.57	$	127,030.82
90	9/15/2019	$	4,178.40	$	261.67	$	3,916.73	$	123,045.64
91	10/15/2019	$	4,178.40	$	253.49	$	3,924.91	$	119,053.09
92	11/15/2019	$	4,178.40	$	245.29	$	3,933.11	$	115,053.16
93	12/15/2019	$	4,178.40	$	237.08	$	3,941.32	$	111,045.82
94	1/15/2020	$	4,178.40	$	228.85	$	3,949.55	$	107,031.07
95	2/15/2020	$	4,178.40	$	220.60	$	3,957.80	$	103,008.90
96	3/15/2020	$	4,178.40	$	212.33	$	3,966.07	$	98,979.28
97	4/15/2020	$	4,178.40	$	204.05	$	3,974.35	$	94,942.21
98	5/15/2020	$	4,178.40	$	195.75	$	3,982.65	$	90,897.67

99	6/15/2020	$	4,178.40	$	187.43	$	3,990.97	$ 86,845.65
100	7/15/2020	$	4,178.40	$	179.10	$	3,999.30	$ 82,786.12
101	8/15/2020	$	4,178.40	$	170.75	$	4,007.65	$ 78,719.10
102	9/15/2020	$	4,178.40	$	162.38	$	4,016.02	$ 74,644.54
103	10/15/2020	$	4,178.40	$	153.99	$	4,024.41	$ 70,562.46
104	11/15/2020	$	4,178.40	$	145.59	$	4,032.81	$ 66,472.82
105	12/15/2020	$	4,178.40	$	137.17	$	4,041.23	$ 62,375.61
106	1/15/2021	$	4,178.40	$	128.73	$	4,049.67	$ 58,270.82
107	2/15/2021	$	4,178.40	$	120.27	$	4,058.13	$ 54,158.43
108	3/15/2021	$	4,178.40	$	111.80	$	4,066.60	$ 50,038.44
109	4/15/2021	$	4,178.40	$	103.30	$	4,075.10	$ 45,910.82
110	5/15/2021	$	4,178.40	$	94.79	$	4,083.61	$ 41,775.57
111	6/15/2021	$	4,178.40	$	86.26	$	4,092.14	$ 37,632.67
112	7/15/2021	$	4,178.40	$	77.72	$	4,100.68	$ 33,482.11
113	8/15/2021	$	4,178.40	$	69.16	$	4,109.24	$ 29,323.87
114	9/15/2021	$	4,178.40	$	60.57	$	4,117.83	$ 25,157.93
115	10/15/2021	$	4,178.40	$	51.97	$	4,126.43	$ 20,984.29
116	11/15/2021	$	4,178.40	$	43.36	$	4,135.04	$ 16,802.93
117	12/15/2021	$	4,178.40	$	34.72	$	4,143.68	$ 12,613.83
118	1/15/2022	$	4,178.40	$	26.07	$	4,152.33	$ 8,416.98
119	2/15/2022	$	4,178.40	$	17.40	$	4,161.00	$ 4,212.37
120	3/15/2022	$	4,178.40	$	8.67	$	4,169.73	$ 0.00
Grand Totals		**$**	**501,408.00**	**$**	**58,298.00**	**$**	**443,110.00**	

CITY OF CLINTON, MS
Lessee

By: Rosemary G. Aultman

Name: Rosemary G. Aultman
Title: Mayor

Date: March 21, 2012

---

* After payment of Rental Payment due on such date.

[Escrow]

EXHIBIT B-1

Lease No.: __________
Equipment Schedule: 01

TAX AGREEMENT AND ARBITRAGE CERTIFICATE

This **TAX AGREEMENT AND ARBITRAGE CERTIFICATE** (this "Certificate") is issued by **CITY OF CLINTON, MS** ("Lessee") in favor of **Leasing 2, Inc.** ("Lessor") in connection with that certain Master Lease Agreement dated as of **March 15, 2012** (the "Agreement"), by and between Lessor and Lessee. The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Agreement.

Section 1. In General.

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment (the "Equipment") to be acquired by Lessor and leased to Lessee pursuant to and in accordance with the Equipment Schedule referenced above (the "Equipment Schedule") executed under the Agreement (together with all related documents executed pursuant thereto and contemporaneously herewith, the "Financing Documents"). As described in the Financing Documents, Lessor shall apply **Four hundred forty three thousand one hundred ten dollars and 00/100** (the "Principal Amount") toward the acquisition of the Equipment and Lessee shall make Rental Payments under the terms and conditions as set forth in the Financing Documents.

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Financing Documents, pursuant to the resolution or other official action of Lessee adopted with respect to the Financing Documents, a copy of which has been delivered to Lessor.

1.3. The Financing Documents are being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Equipment Schedule. The Principal Amount will be deposited in escrow by Lessor on the date of issuance of the Financing Documents and held by **SunTrust Bank**, as escrow agent (the "Escrow Agent") pending acquisition of the Equipment under the terms of that certain Escrow Agreement dated as of **March 15, 2012** (the "Escrow Agreement"), by and between Lessor and Escrow Agent.

1.4. Lessee will timely file for each payment schedule issued under the Lease a Form 8038-G (or, if the invoice price of the Equipment under such schedule is less than $100,000, a Form 8038-GC) relating to such Lease with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

1.5. Lessee has not issued, and reasonably anticipates that it and its subordinate entities, if any, will not issue, tax-exempt obligations (including the Lease) in the amount of more than $10,000,000 during the current calendar year. Lessee hereby designates the Lease as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code and agrees that it and its subordinate entities, if any, will not designate more than $10,000,000 of their obligations as "qualified tax-exempt obligations" during the current calendar year.

Section 2. Non-Arbitrage Certifications.

2.1. The Rental Payments due under the Financing Documents will be made with monies retained in Lessee's general operating fund (or an account or subaccount therein). No sinking, debt service, reserve or similar fund or account will be created or maintained for the payment of the Rental Payments due under the Financing Documents or pledged as security therefor.

2.2. There have been and will be issued no obligations by or on behalf of Lessee that would be deemed to be (i) issued or sold within fifteen (15) days before or after the date of issuance of the Financing Documents, (ii) issued or sold pursuant to a common plan of financing with the Financing Documents and (iii) paid out of substantially the same source of funds as, or deemed to have substantially the same claim to be paid out of substantially the same source of funds as, the Financing Documents.

2.3. Other than the Principal Amount held in the Escrow Agreement , Lessee does not and will not have on hand any funds that are or will be restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, as a substitute, replacement or separate source of financing for the Equipment.

2.4. No portion of the Principal Amount is being used by Lessee to acquire investments which produce a yield materially higher than the yield realized by Lessor from Rental Payments received under the Financing Documents.

2.5. The Principal Amount does not exceed the amount necessary for the governmental purpose for which the Financing Documents were entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the Equipment.

2.6. Lessee does not expect to convey, sublease or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final Payment Date under the Financing Documents.

Section 3. Disbursement of Funds; Reimbursement to Lessee.

3.1. It is contemplated that the entire Principal Amount deposited in escrow will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that, if applicable, a portion of the principal amount may be paid to Lessee as reimbursement for acquisition cost payments already made by it so long as the conditions set forth in Section 3.2 below are satisfied.

3.2. Lessee shall not request that it be reimbursed for Equipment acquisition cost payments already made by it unless each of the following conditions have been satisfied:

(a) Lessee adopted a resolution or otherwise declared its official intent in accordance with Treasury Regulation § 1.150-2 (the "Declaration of Official Intent"), wherein Lessee expressed its intent to be reimbursed from the proceeds of a borrowing for all or a portion of the cost of the Equipment, which expenditure was paid to the Vendor not earlier than sixty (60) days before Lessee adopted the Declaration of Official Intent;

(b) The reimbursement being requested will be made by a written allocation before the later of eighteen (18) months after the expenditure was paid or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;

(c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of a type properly chargeable to a capital account under general federal income tax principles; and

(d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treasury Regulation § 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

Section 4. Use and Investment of Funds; Temporary Period.

4.1. Lessee has incurred or will incur, within six (6) months from the date of issuance of the Financing Documents, binding obligations to pay an amount equal to at least five percent (5%) of the Principal Amount toward the costs of the Equipment. An obligation is not binding if it is subject to contingencies within Lessee's control. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.2. An amount equal to at least eighty-five percent (85%) of the Principal Amount will be expended to pay the cost of the Equipment by the end of the three-year period commencing on the date of this Certificate. No portion of the Principal Amount will be used to acquire investments that do not carry out the governmental purpose of the Financing Documents and that have a substantially guaranteed yield of four (4) years or more.

4.3. (a) Lessee covenants and agrees that it will rebate an amount equal to excess earnings on the Principal Amount deposited under the Escrow Agreement to the Internal Revenue Service if required by, and in accordance with Section 148(f) of the Code, and make the annual determinations and maintain the records required by and otherwise comply with the regulations applicable thereto. Lessee reasonably expects to cause the Equipment to be required by September 15, 2013.

(b) Lessee will provide evidence to Lessor that the rebate amount has been calculated and paid to the Internal Revenue Service in accordance with Section 148(f) of the Code unless (i) the entire Principal Amount is expended on the Equipment by the date that is the six-month anniversary of the Financing Documents or (ii) the Principal Amount is expended on the Equipment in accordance with the following schedule: At least fifteen percent (15%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within six months from the date of issuance of the Financing Documents; at least sixty percent (60%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within 12 months from the date of issuance of the Financing Documents; and one hundred percent (100%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment prior to eighteen (18) months from the date of issuance of the Financing Documents.

(c) Lessee hereby covenants that (i) Lessee is a governmental unit with general tax powers; (ii) the Lease is not a "private activity bond" under Section 141 of the Code; (iii) at least ninety-five percent (95%) of the Principal Amount is used for the governmental activities of Lessee; and (iv) the aggregate principal amount of all tax-exempt obligations (including the Lease) issued by Lessee and its subordinate entities, if any, during the current calendar year is not reasonably expected to exceed $5,000,000. Accordingly, the rebate requirements of Section 148(f) of the Code are treated as being met, in lieu of the spending exceptions set forth in paragraph (b) above.

Section 5. Escrow Account.

The Financing Documents provide that the monies deposited in escrow shall be invested until payments to the vendor(s) or manufacturer(s) of the Equipment are due. Lessee will ensure that such investment will not result in Lessee's obligations under the Financing Documents being treated as an "arbitrage bond" within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"), respectively. Any monies which are earned from the investment of these funds shall be labeled as interest earned. All such monies will be disbursed on or promptly after the date that Lessee accepts the Equipment.

Section 6. No Private Use; No Consumer Loan.

6.1. Lessee will not exceed the private use restrictions set forth in Section 141 of the Code. Specifically, Lessee will not permit more than 10% of the Principal Amount to be used for a Private Business Use (as defined herein) if, in addition, the payment of more than ten percent (10%) of the Principal Amount plus interest earned thereon is, directly or indirectly, secured by (i) any interest in property used or to be used for a Private Business Use or (ii) any interest in payments in respect of such property or derived from any payment in respect of property or borrowed money used or to be used for a Private Business Use.

In addition, if both (A) more than five percent (5%) of the Principal Amount is used as described above with respect to Private Business Use and (B) more than five percent (5%) of the Principal Amount plus interest earned thereon is secured by Private Business Use property or payments as described above, then the excess over such five percent (5%) (the "Excess Private Use Portion") will be used for a Private Business Use related to the governmental use of the Equipment. Any such Excess Private Use Portion of the Principal Amount will not exceed the portion of the Principal Amount used for the governmental use of the particular project to which such Excess Private Use Portion is related. For purposes of this paragraph 6.1, "Private Business Use" means use of bond proceeds or bond financed-property directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and excluding use as a member of the general public.

6.2. No part of the Principal Amount or interest earned thereon will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

Section 7. No Federal Guarantee.

7.1. Payment of the principal or interest due under the Financing Documents is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

7.2. No portion of the Principal Amount or interest earned thereon shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Financing Documents to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 8. Miscellaneous.

8.1. Lessee shall keep a complete and accurate record of all owners or assignees of the Financing Documents in form and substance satisfactory to comply with the registration requirements of Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.2. Lessee shall maintain complete and accurate records establishing the expenditure of the Principal Amount for a period of five (5) years after payment in full under the Financing Documents.

8.3. To the best of the undersigned's knowledge, information and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

IN WITNESS WHEREOF, this Tax Agreement and Arbitrage Certificate has been executed on behalf of Lessee as of **March 15, 2012**.

CITY OF CLINTON, MS
Lessee

By: Rosemary G. Aultman

Name: Rosemary G. Aultman
Title: Mayor

Date: March 21, 2012

EXHIBIT D

Lease No.:________
Equipment Schedule: 01

INCUMBENCY CERTIFICATE

I do hereby certify that I am the duly elected or appointed and acting MAYOR of **City of Clinton, MS**, a political subdivision duly organized and existing under the laws of the State of **Mississippi**, that I have custody of the records of such entity, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of such entity holding the offices set forth opposite their respective names.

I further certify that (i) the signatures set opposite their respective names and titles are their true and authentic signatures and (ii) such officers have the authority on behalf of such entity to enter into that certain Master Lease Agreement dated as of **March 15, 2012** between such entity and **Leasing 2, Inc.**.

NAME	TITLE	SIGNATURE
Rosemary G. Aultman	Mayor	

IN WITNESS WHEREOF, I have duly executed this certificate as of this 21st day of MARCH, 2012

By: Rosemary G. Aultman
Board Member or other authorized officer's signature

Title: MAYOR

Name: ROSEMARY G. AULTMAN
(Printed or typed)

Kenneth R. Dreher, P.A.

ATTORNEY AT LAW
P.O. BOX 1121
CLINTON, MISSISSIPPI 39060

KENNETH R. DREHER
ATTORNEY AT LAW

TELEPHONE: (601) 925-5316
TELECOPIER: (601) 924-3812

JANINE BELL
PARALEGAL

March 20, 2012

LEASING 2, INC.
1720 West Cass Street
Tampa, FL 33606-1230

RE: Master Lease Agreement dated as of March 15, 2012 (the "Agreement") by and between
Leasing 2, Inc. ("Lessor") and **CITY OF CLINTON, MS** ("Lessee")

Ladies and Gentlemen:

We have acted as counsel to Lessee with respect to the Agreement described above and various related matters, and in this capacity have reviewed a duplicate original or certified copy thereof and Equipment Schedule No. 01 executed pursuant thereto (together with the Agreement, the "Lease"). The terms capitalized in this opinion but not defined herein shall have the meanings assigned to them in the Lease. Based upon the examination of these and such other documents as we have deemed relevant, it is our opinion that:

1. Lessee is a political subdivision of the State of Mississippi (the "State") within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended, and is duly organized, existing and operating under the Constitution and laws of the State.

2. Lessee is authorized and has the power under applicable law to enter into the Lease, and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The Lease has been duly authorized, executed and delivered by and on behalf of Lessee, and is a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles.

4. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public records, public bidding and all other laws, rules and regulations of the State.

5. The execution of the Lease and the appropriation of moneys to pay the Rental Payments coming due thereunder do not and will not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred b Lessee.

6. There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the organization or existence of Lessee, the authority of Lessee or its officers or its employees to enter into the Lease, the proper authorization and/ or execution of the Lease or the documents contemplated thereby, the appropriation of moneys to make Rental Payments under the Lease for the current Fiscal Year of Lessee, or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby. To the best of our knowledge, no such litigation, action, suit or proceeding is threatened.

7. The Equipment is personal property, and when used by Lessee will not be or become fixtures under the laws of the State.

8. The resolution of the governing body of the Lessee relating to the Master Lease described above and various related matter was duly and validly adopted by such governing body on March 20, 2012, and such resolution has not been amended, modified, supplemented or repealed and remains in full force and effect.

This opinion may be relied upon by the addressee hereof and its successors and assignees of interests in the Lease, but only with regard to matters specifically set forth herein.

Very truly yours,

KENNETH R. DREHER, P.A.

Ken Dreher

Kenneth R. Dreher

EXHIBIT G-1

Lease No.: ____________
Equipment Schedule: 01

DATE: MARCH 21, 2012

TO: BRYSON INSURANCE AND FINANCIAL SOLUTIONS
301 NEWPOINTE DRIVE
RIDGELAND, MS 39157
Insurance Agent Name & Address
Phone Number and Fax Number

Gentlemen:

CITY OF CLINTON, MS has entered into a Master Lease Agreement dated as of **March 15, 2012** with **LEASING 2, INC.**. In accordance with the Agreement, Lessee certifies that it has instructed the insurance agent named above to issue:

a. All Risk Physical Damage Insurance on the leased Equipment evidenced by a **Certificate of Insurance and Long Form Loss Payable Clause naming Leasing 2, Inc. and/or its assigns as Loss Payee.**

The Coverage Required is **$443,110.00.**

b. Public Liability Insurance evidenced by a **Certificate of Insurance naming Leasing 2, Inc. and/or its assigns as Additional Insured.**

The following minimum coverage is required:

Liability:	$ 500,000.00 per person
Liability - Bodily Injury:	$1,000,000.00 aggregate
Liability - Property Damage:	$1,000,000.00 property damage liability

PROPERTY: E-One Typhoon Custom Pumper VIN: ____________________

LOCATION: 910 Old Vicksburg Road, Clinton, MS 39056

Upon issuance of the coverage outlined above, please mail a certificate of insurance to
Leasing 2, Inc. and/or its Assigns
1720 West Cass Street
Tampa, FL 33606-1230.

Your courtesy in issuing and forwarding the requested certificate at your earliest convenience will be appreciated.

Very truly yours,
CITY OF CLINTON, MS

By: Rosemary G. Aultman

Name: Rosemary G. Aultman
Title: Mayor

Date: March 21, 2012

EXHIBIT G-2

Lease No.: ____________
Equipment Schedule: 01

QUESTIONNAIRE FOR SELF-INSURANCE TO MASTER LEASE AGREEMENT

In connection with the Master Lease Agreement (the "Agreement"), dated as of **March 15, 2012**, made and entered into by and between **Leasing 2, Inc.**, as Lessor (the "Lessor"), and the lessee identified below, as Lessee (the "Lessee"), Lessee warrants and represents to Lessor the following information. The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Agreement.

1. *Property Insurance.*

a. Lessee is self-insured for damage or destruction to the Equipment.
YES NO (circle one–if "NO" skip to 2. *Liability Insurance*)
If yes, the dollar amount limit for property damage to the Equipment under the Lessee's self-insurance program is $_______.

b. The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for property damage to the Equipment as indicated above.
YES NO (circle one)
If yes, the umbrella policy provides coverage for all risk property damage.
YES NO (circle one)
If yes, the dollar limit for property damage to the Equipment under such umbrella policy is $________.

2. *Liability Insurance.*

a. Lessee is self-insured for liability for injury or death of any person or damage or loss of property arising out of or relating to the condition or operation of the Equipment.
YES NO (circle one—if "NO" skip balance of questionnaire)
If yes, the dollar limit for such liability claims under the Lessee's self-insurance program is $________.

b. The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for liability including injury or death of persons or damage to property as indicated above.
YES NO (circle one)
If yes, the umbrella policy provides coverage for liabilities for injury and death to persons as well as damage or loss of property arising out of or relating to the condition or operation of the Equipment.
YES NO (circle one)
If yes, the dollar amount of the umbrella policy's limits for such liability coverage is $________.

3A. *Self Insurance Fund.*

a. Lessee maintains a self-insurance fund.
YES NO (circle one)
If yes, please complete the following:
Monies in the self-insurance fund are subject to annual appropriation.
YES NO (circle one)
The total amount maintained in the self-insurance fund to cover Lessee's self-insurance liabilities is $________.

b. Amounts paid from the Lessee's self-insurance fund are subject to limitations for each claim.
YES NO (circle one)
If yes, the dollar amount of limit per claim is $________.

3B. *No Self Insurance Fund*.

a. If Lessee does not maintain a self-insurance fund, please complete the following:
Lessee obtains funds to pay claims for which it has self-insured from the following sources:

b. The limitations on the amounts payable for claims from the above sources are as follows:

4. *Authority*.

a. The following entity or officer has authority to authorize payment for claim:

b. In the event the entity or officer named in the prior response denies payment of a claim, does the claimant have recourse to another administrative officer, agency or the courts?

YES NO (circle one)

If yes, to whom does the claimant have recourse?

5. *Certificates of Insurance*.

Attached hereto are copies of certificates of insurance with respect to policies maintained by Lessee.

IN WITNESS WHEREOF, Lessee has caused this Questionnaire to be executed as a supplement to the representations of Lessee in the Agreement by its duly authorized officer.

CITY OF CLINTON, MS
Lessee

By: Rosemary G. Aultman

Name: Rosemary G. Aultman
Title: Mayor

Date: March 21, 2012

Telephone: 601-924-5474
Facsimile: 601-925-4605

Attachment

Lease No.: ___________
Equipment Schedule: 01

NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

Dated: **March 15, 2012**

LEASING 2, INC. ("Assignor") hereby gives notice that it has assigned and sold to SunTrust Equipment Finance & Leasing Corp. ("Assignee") all of Assignor's right, title and interest in and to the rental payments and other amounts due under the Master Lease Agreement (the "Lease") by and between Assignor and **CITY OF CLINTON, MS** ("Lessee"). All rental payments and other amounts coming due pursuant to the Lease on and after the date hereof are payable to and should be remitted to Assignee at the following address:

SunTrust Equipment Finance & Leasing Corp.
P.O. Box 79194
Baltimore, MD 21279-0194

Lessee hereby acknowledges the effect of the assignment and absolutely and unconditionally agrees to deliver all rental payments and other amounts coming due under the Lease in accordance with the terms thereof on or after the date of this Notice and Acknowledgment of Assignment.

Lessee agrees that (i) Assignee shall have all the rights of lessor under the Lease and all related documents, including, but not limited to, the right to issue or receive all notices and reports, to give all consents, to receive title to the equipment, to declare a default and to exercise all remedies thereunder, and (ii) Lessee shall pay Assignee all installment payments and other amounts due under the Lease as and when due, without deduction or offset, notwithstanding any claim Lessee may have against the original lessor, Assignor, Assignee or relative to the equipment, or any other claim of Lessee arising prior to the assignment and sale of the Lease to Assignee, and (iii) Lessee has an unconditional obligation to make payments to Assignee and its assigns under the Lease and the Lease may be terminated (in whole, but not in part) by Lessee prior to all payments having been made only pursuant to nonappropriation.

Assignor and Lessee agree and acknowledge that this Notice and Acknowledgment of Assignment is made for and inures to the benefit of Assignee and its assigns. The Lease remains in full force and effect, has not been amended and no nonappropriation or event of default (or event which with the passage of time or the giving of notice or both would constitute a default) has occurred thereunder.

Along with all other U.S. Financial institutions, Assignee began complying with Section 326 of the USA Patriot Act effective October 1, 2003. Designed to assist the government in preventing the funding of terrorist and money laundering activities, this section of the USA Patriot Act requires Assignee to know the business entities that are new to SUNTRUST EQUIPMENT FINANCE & LEASING CORP. To accomplish this Assignee will obtain, verify and record information that identifies business and/or municipal entities that open new accounts with us. What this means to you: when you open your account with or borrow from us, Assignee will ask you for full legal name, physical address, taxpayer identification number and other information that will allow us to verify your entity's identity. The information requested may include documents, such as statutes, resolutions, certificates and/or your charter or other operative/formative documents which will verify the identifying information you are giving us.

Any inquiries of Lessee related to the Lease and any requests for escrow disbursements, if applicable, should be directed as follows:

SunTrust Equipment Finance & Leasing Corp.
300 E. Joppa Road, Suite 700
Towson, MD 21286

CITY OF CLINTON, MS
Lessee

By: Rosemary G. Aultman

Name: Rosemary G. Aultman

Title: Mayor

Date: March 21, 2012

LEASING 2, INC.
Assignor

By: ___________________

Name: ___________________

Title: ___________________

Date: ___________________

BILLING INFORMATION

Please indicate below how you would like us to bill you for the lease payments due under this Agreement, including a contact name, if applicable:

Contact Name: Jimmy BALDREE

Company: City of Clinton, mississippi

Street Address or Box #: P. O. BOX 156

City, State, Zip: Clinton, MS 39060

Telephone: (601) 924-5474

Fax: (601) 925-4605

Lease No.: _____
Equipment Schedule: 01

ACCEPTANCE CERTIFICATE

I, the undersigned, hereby certify that I am the duly qualified and acting officer of the Lessee identified below and, with respect to the above referenced Equipment Schedule and Lease, that:

1. The Equipment described below has been delivered and installed in accordance with Lessee's specifications, is in good working order and is fully operational and has been fully accepted by Lessee on or before the date indicated below:

E-ONE Typhoon Custom Pumper

____

2. Attached are (a) evidence of insurance with respect to the Equipment in compliance with Article VII of the Agreement; (b) Vendor invoice(s) and/or bill(s) of sale relating to the Equipment, and if such invoices have been paid by Lessee, evidence of payment thereof (evidence of official intent to reimburse such payment as required by the Code having been delivered separately by Lessee); and (c) financing statements executed by Lessee as debtor and/or the original certificate of title or manufacturer's certificate of origin and title application, if any, for any Equipment which is subject to certificate of title laws.

3. Rental Payments shall be due and payable by Lessee on the dates and in the amounts indicated on the Payment Schedule attached to the Equipment Schedule. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Lease during the current Fiscal Year of Lessee. Such moneys will be applied in payment of all such Rental Payments due and payable during such current Fiscal Year. Lessee anticipates that sufficient funds shall be available to make all Rental Payments due in subsequent Fiscal Years.

4. Lessee hereby authorizes and directs Lessor to fund the Acquisition Cost of the Equipment by paying, or directing the payment by the Escrow Agent (if applicable) of, the invoice prices to the Vendor(s), in each case as set forth above, or by reimbursing Lessee in the event such invoice prices have been previously paid by Lessee.

______ 5. **Final Acceptance Certificate.** This Acceptance Certificate constitutes final acceptance of all of the Equipment identified in the Equipment Schedule described above. Lessee certifies that upon payment in accordance with paragraph 4 above, or direction to the Escrow Agent (if applicable) to make payment, Lessor shall have fully and satisfactorily performed all of its covenants and obligations under the Lease. [CHECK BOX IF APPLICABLE.]

CITY OF CLINTON, MS
Lessee

By: Rosemary G. Aultman

Name: Rosemary G. Aultman

Title: Mayor

Date: March 21, 2012

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME City of Clinton, MS					
OR 1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX	
1c. MAILING ADDRESS 300 Jefferson Street	CITY Clinton	STATE MS	POSTAL CODE 39056	COUNTRY	
1d. TAX ID #: SSN OR EIN 64-6000260	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Municipality	1f. JURISDICTION OF ORGANIZATION Mississippi	1g. ORGANIZATIONAL ID #, if any	☑ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME					
OR 2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX	
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY	
2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any	☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME SunTrust Equipment Finance & Leasing Corp.				
OR 3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME		SUFFIX
3c. MAILING ADDRESS 300 E. Joppa Road Ste. 700	CITY Towson	STATE MD	POSTAL CODE 21286	COUNTRY

4. This FINANCING STATEMENT covers the following collateral:

E-One Typhoon Custom Pumper

VIN:____________________________________

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

Form **8038-G** (Rev. September 2011) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ▶ ☐

1 Issuer's name: City of Clinton, Mississippi

2 Issuer's employer identification number (EIN): 64-6000260

3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)

3b Telephone number of other person shown on 3a

4 Number and street (or P.O. box if mail is not delivered to street address): PO Box 156

Room/suite

5 Report number (For IRS Use Only): 3

6 City, town, or post office, state, and ZIP code: Clinton, MS 39056

7 Date of issue: 3-15-2012

8 Name of issue

9 CUSIP number

10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions): Rosemary Aultman, Mayor

10b Telephone number of officer or other employee shown on 10a: 601-925-6103

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education	11	
12	Health and hospital	12	
13	Transportation	13	
14	Public safety	14	
15	Environment (including sewage bonds)	15	
16	Housing	16	
17	Utilities	17	
18	Other. Describe ▶ E-ONE Typhoon Custom Pumper	18	443,110 00
19	If obligations are TANs or RANs, check only box 19a ▶ ☐		
	If obligations are BANs, check only box 19b ▶ ☐		
20	If obligations are in the form of a lease or installment sale, check box ▶ ☑		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	3-15-2022	$ 443,110.00	$	years	2.51 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	
23	Issue price of entire issue (enter amount from line 21, column (b))			23	443,110 00
24	Proceeds used for bond issuance costs (including underwriters' discount)	24			
25	Proceeds used for credit enhancement	25			
26	Proceeds allocated to reasonably required reserve or replacement fund	26			
27	Proceeds used to currently refund prior issues	27			
28	Proceeds used to advance refund prior issues	28			
29	Total (add lines 24 through 28)			29	443,110 00
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) ▶	
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	
b	Enter the final maturity date of the GIC ▶		
c	Enter the name of the GIC provider ▶		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:

b Enter the date of the master pool obligation ▶

c Enter the EIN of the issuer of the master pool obligation ▶

d Enter the name of the issuer of the master pool obligation ▶

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☑

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

41a If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:

b Name of hedge provider ▶

c Type of hedge ▶

d Term of hedge ▶

42 If the issuer has superintegrated the hedge, check box ▶ ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ ☐

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ ☐

45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement ▶

b Enter the date the official intent was adopted ▶

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ Rosemary G. Aultman	3.21.12	▶ ROSEMARY G. AULTMAN, MAYOR
Signature of issuer's authorized representative	Date	Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Certificate of Attendance

The University of Mississippi Law Center
Awards this Certificate to

Tamra Morgan

for having attended the
Municipal Court Clerk Spring Seminar
Jackson, Mississippi
March 8-9, 2012

conducted by the
Mississippi Judicial College

Linda E. Beasley
Program Manager

Director