

# BUTLER | SNOW

January 4, 2017

VIA E-MAIL AT CPARKER@MADISON-CO.COM

Madison County, Mississippi  
Attn: Ronny Lott, Chancery Clerk  
P.O. Box 404  
Canton, MS 39046-0404

Re: Madison County, Mississippi 2017 Continuing Disclosure Submission

Dear Mr. Lott:

We are pleased to confirm our engagement as dissemination agent (the "Dissemination Agent") to Madison County, Mississippi (the "County") in connection with its annual continuing disclosure undertaking. We appreciate your confidence in us and will do our best to continue to merit it. This letter sets forth the role we propose to serve and the responsibilities we propose to assume as Dissemination Agent in connection with the Annual Filing for fiscal year ended September 30, 2016.

We understand that pursuant to Securities and Exchange Commission Rule 15c2-12, as amended from time to time (the "Rule"), the County is required to provide on an annual basis certain financial information and operating data to the Municipal Securities Rulemaking Board (the "MSRB") through the MSRB's Electronic Municipal Market Access system at [www.emma.msrb.org](http://www.emma.msrb.org) ("EMMA"), in the electronic format then prescribed by the Securities and Exchange Commission (the "SEC") (the "Required Electronic Format") pursuant to the Rule.

We also understand that pursuant to the County's Policies and Procedures for Continuing Disclosure/SEC Rule 15c2-12 Compliance (the "Policy"), a staff designee of the County is required to appoint or engage a dissemination agent to assist in carrying out its obligations under the Policy and the Rule, **and the County is hereby appointing us to serve as Dissemination Agent in connection with the Annual Filing for fiscal year 2016 to be filed on or before March 27, 2017.**

## SCOPE OF ENGAGEMENT

As Dissemination Agent we will examine the County's continuing disclosure responsibility, consult with parties to the County; compile the Annual Filing (with the assistance of the County) and file an Annual Filing for and on behalf of the County. We will rely upon information provided to us without undertaking to verify the same by independent investigation. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Annual Filing. We understand that you will direct members of your staff and other employees of the County to cooperate with us in this regard.

Our duties in this engagement are limited to those expressly set forth above.

### **ATTORNEY-CLIENT RELATIONSHIP**

Upon execution of this engagement letter, the County will be our client and an attorney-client relationship will exist between us. We further assume that all other parties understand that in this transaction we represent only the County, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as Dissemination Agent are limited to those contracted for in this letter, and the County's execution of this engagement letter will constitute an acknowledgment of those limitations.

Our representation of the County and the attorney-client relationship created by this engagement letter will be concluded upon the filing of the Annual Filing.

### **PROSPECTIVE CONSENT**

As you are aware, Butler Snow represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the County, one or more of our present or future clients will have transactions with the County. We do not believe that such representation, if it occurs, will adversely affect our ability to represent you as provided in this engagement letter, either because such matters will be sufficiently different from the filing of the Annual Filing so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance filing of the Annual Filing. Execution of this engagement letter will signify the County's consent to our representation of others consistent with the circumstances described in this paragraph.

### **FEE STRUCTURE**

Based upon: (i) our current understanding of the terms, structure, size and schedule of the Annual Filing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the Annual Filing, and, (iv) the responsibilities we assume, our fee for this engagement will be \$3,000.00. Such fee may vary: (i) if material changes in the structure of the financing occur or (ii) if unusual or unforeseen circumstances arise which require a significant increase in our time or our responsibilities. If, at any time, we believe that circumstances require an adjustment of our original fee estimate, we will consult with you.

In addition, this letter authorizes us to incur expenses and make disbursements on behalf of the County, which we will include in our invoice. Disbursement expenses will include such items as travel costs, photocopying, deliveries and other out-of-pocket costs.

### **PUBLICITY CONCERNING THIS MATTER**

Often projects and matters such as this are of interest to the public. Also, many clients desire favorable publicity. Therefore, you agree that we may respond to inquiries from the news media

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Madison County, Mississippi  
January 4, 2017  
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and we may initiate and publish information to the public on this matter (including but not limited to our firm website) unless you instruct us not to do so. In any event, we will not divulge any non-public information regarding this matter.

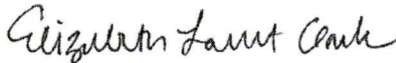
**RECORDS**

At your request, papers and property furnished by you will be returned promptly upon receipt of payment for outstanding fees and client charges. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other material retain by us after the termination of this engagement.

If the foregoing terms are acceptable to you, please so indicate by (1) returning the enclosed copy of this engagement letter dated and signed by an authorized officer; and (2) returning the material event notice certification dated and signed by an authorized officer, attached hereto as **Exhibit A**. Please retain a copy of the original engagement letter and material event notice certification for your files.

We look forward to working with you again on your Annual Filing.

**BUTLER SNOW LLP**



By: \_\_\_\_\_  
Elizabeth Lambert Clark

Accepted and Approved:

**MADISON COUNTY, MISSISSIPPI**

BY: \_\_\_\_\_  
President, Board of Supervisors

Dated: \_\_\_\_\_

cc: Mr. Shelton Vance, Madison County Comptroller/Administrator ([administrator@madison-co.com](mailto:administrator@madison-co.com))  
Ms. Katie Bryant Snell, Esq., Board Attorney (via email: [Katie@katiebryantnell.com](mailto:Katie@katiebryantnell.com))

## **EXHIBIT A**

### **Event Notice**

The County certifies that none of the event notices have occurred with respect to the Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves, if any, reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of Bondholders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property, if any, securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the Issuer;
- (13) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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, if material; and/or
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

**MADISON COUNTY, MISSISSIPPI**

BY: \_\_\_\_\_  
President, Board of Supervisors

Dated: \_\_\_\_\_

**CONTINUING DISCLOSURE INFORMATION STATEMENT  
BY MADISON COUNTY, MISSISSIPPI  
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2016**

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Pursuant to the Continuing Disclosure Agreements (“Disclosure Agreements”) executed by Madison County, Mississippi (the “County”), in connection with the following bond issues:

1. \$12,000,000 Mississippi Development Bank Special Obligation Bonds, Series 2004 (MS Bond Program Madison County, Mississippi General Obligation Refunding Bond Project) (CUSIP Number 60534P YX5)
2. \$17,500,000 Madison County, Mississippi General Obligation Road and Bridge Refunding Bonds, Series 2006 (CUSIP Number 557259 QC5)<sup>1</sup>
3. \$17,990,000 Madison County, Mississippi General Obligation Refunding Bonds, Series 2006 (CUSIP Number 557259 QX9)<sup>2</sup>
4. \$12,000,000 Madison County, Mississippi General Obligation Road and Bridge Bonds, Series 2007 (CUSIP Number 557259 RT7)<sup>3</sup>
5. \$33,000,000 Madison County, Mississippi General Obligation Road and Bridge Bonds, Series 2008 (CUSIP Number 557259 SP4)<sup>4</sup>
6. \$2,490,000 Mississippi Development Bank Special Obligation Refunding Bonds (Madison County, Mississippi Capital Projects and Equipment Acquisition Program Loan Refunding Project), Series 2009 (CUSIP Number 60534R JA8)
7. \$8,000,000 Mississippi Development Bank Special Obligation Refunding Bonds, Series 2009 (Madison County, Mississippi Limited Tax Pledge Revenue Refunding Project), dated June 24, 2009 (CUSIP Number 60534R JZ3)
8. \$8,225,000 General Obligation Refunding Bonds, Series 2011 (CUSIP Number 557259 TK4)
9. \$8,970,000 General Obligation Refunding Bonds, Series 2012 (CUSIP Number 557259 TZ1)
10. \$88,865,000.00 Mississippi Development Bank Special Obligation Bonds, Series 2013C (Madison County, Mississippi Highway Refunding Project) (CUSIP Number 60534T NF8);
11. \$11,750,000 Madison County, Mississippi General Obligation Refunding Bonds, Series 2014 (CUSIP Number 557259 UQ9);
12. \$15,000,000 Madison County, Mississippi General Obligation Road and Bridge Bonds, Series 2014 (CUSIP Number 557259 VF2);
13. \$15,340,000 Madison County, Mississippi Taxable General Obligation Refunding Bonds, Series 2014 (CUSIP Number 557259 VT2);
14. \$9,325,000 Madison County, Mississippi General Obligation Refunding Bonds, Series 2015 (CUSIP Number 557259 WB0); and
15. \$6,895,000 Madison County, Mississippi General Obligation Refunding Bonds, Series 2016 (CUSIP Number 557259 WK0); (collectively, the "Bonds")

The County hereby provides the information described in the Disclosure Agreements.

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<sup>1</sup> The 2018 through 2026 Maturities were called effective May 1, 2016, pursuant to the Notice of Full Redemption posted on March 4, 2016 by Trustmark National Bank, and pursuant to the Escrow Agreement dated June 7, 2012.

<sup>2</sup> The 2017 through 2026 Maturities were optionally redeemed on June 1, 2016, pursuant to the Escrow Agreement dated February 3, 2015.

<sup>3</sup> The 2019 through 2027 Maturities will be optionally redeemed effective May 1, 2017, pursuant to the Escrow Trust Agreement (Notice of Advance Refunding) posted on September 25, 2014.

<sup>4</sup> The 2019 through 2023 Maturities will be optionally redeemed effective March 1, 2018, pursuant to the Escrow Trust Agreement (Notice of Advance Refunding) dated March 31, 2015; the 2024 and 2025 Maturities will be optionally redeemed effective March 1, 2018, pursuant to the Escrow Trust Agreement (Notice of Advance Refunding) dated September 25, 2014; and the 2026 through 2028 Maturities will be optionally redeemed effective March 1, 2018, pursuant to the Escrow Trust Agreement (Notice of Advance Refunding) dated April 19, 2016.

**Section 1. Annual Report.**

- A. Updated financial information and operating data; attached hereto as **APPENDIX A**;
- B. Updated financial statements of the County<sup>5</sup>; attached hereto as **APPENDIX B** and **APPENDIX C**; and
- C. Updated budgeted or estimated revenues and expenditures of the County; attached hereto as **APPENDIX D**.

**Section 2. Event Notice.**

The County certifies that none of the event notices have occurred with respect to the Bonds.

**Section 3. Notice.**

**Notice is hereby provided that the County's FY 2016 audited and/or unaudited financial statements are not available at the date of this continuing disclosure submission.**

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<sup>5</sup> If the audited financial statement for the County is not available as of the date of this disclosure, the County will provide a copy of same when the audit report becomes available.

**Section 4.     Certification.**

I, the undersigned officers of the County, hereby certify, that the information, representations and warranties of the County contained herein are true and correct in all material respects on and as of the date of this Continuing Disclosure Information Statement. Further, this Continuing Disclosure Information Statement does not contain any untrue statement of material fact or omit to state any material fact necessary in order to make the statements made herein in light of the circumstances under which they were made, not misleading.

**IN WITNESS WHEREOF**, the County has caused this Continuing Disclosure Information Statement to be executed by its respective officers, duly authorized, all as of the date first above written.

**MADISON COUNTY, MISSISSIPPI**

**By: \_\_\_\_\_**  
**PRESIDENT, BOARD OF SUPERVISORS**

**(SEAL)**

**By: \_\_\_\_\_**  
**CLERK, BOARD OF SUPERVISORS**

**APPENDIX A**  
**MADISON COUNTY, MISSISSIPPI**  
**ECONOMIC, DEMOGRAPHIC, TAX AND DEBT INFORMATION**  
**FOR THE FISCAL YEAR ENDED**  
**SEPTEMBER 30, 2016**



**APPENDIX B**

**AUDITED FINANCIAL STATEMENTS FOR THE COUNTY FOR FISCAL YEAR ENDED  
SEPTEMBER 30, 2016**

**APPENDIX C**

**UNAUDITED FINANCIAL STATEMENTS FOR THE COUNTY FOR FISCAL YEAR ENDED  
SEPTEMBER 30, 2016**

**APPENDIX D**  
**COUNTY BUDGET 2017**

**APPENDIX E**

**THE MISSISSIPPI DEVELOPMENT BANK**

**(NOTE: THE MISSISSIPPI DEVELOPMENT BANK'S APPENDIX INFORMATION AND  
FY 2016 AUDIT REPORT WERE POSTED TO EMMA ON DECEMBER 30, 2016)**