

AMENDED AND RESTATED INTERLOCAL COOPERATIVE AGREEMENT

BETWEEN

THE MISSISSIPPI TRANSPORTATION COMMISSION

AND

MADISON COUNTY, MISSISSIPPI

This **AMENDED AND RESTATED INTERLOCAL COOPERATIVE AGREEMENT** (this "Agreement") is executed by and between **MADISON COUNTY, MISSISSIPPI** (the "County"), a political subdivision of the State of Mississippi, acting by and through its Board of Supervisors, and the **MISSISSIPPI TRANSPORTATION COMMISSION** (the "Commission"), a body corporate of the State of Mississippi, effective as of the 25th day of July, 2006.

WITNESSETH:

WHEREAS, Sections 65-1-8(2)(z) and 17-13-1 *et seq.* of the Mississippi Code of 1972, as amended and supplemented from time to time (the "Code"), authorizes the Commission and the County to enter into agreements with each other for the purposes of accelerating the completion date of scheduled highway construction projects; and

WHEREAS, the Commission has on its regular schedule of construction, with a reasonably expected estimated completion date of May 2012, a project for the design, right of way acquisition, and construction of a split-diamond interchange, frontage roads and connector roads which together provide additional capacity to United States Interstate Highway 55 from Old Agency Road to State Road 463, along with the connector road of Madison Avenue in the City of Madison, Mississippi from Highland Colony Parkway to United States Highway 51 and State Highway 463 from Grandview Boulevard/Galleria Parkway to United States Highway 51 (the "Madison Portion") and the construction of a multi-lane McClellan Drive in the City of Ridgeland, Mississippi from Highland Colony Parkway to United States Highway 51 (the "Ridgeland Portion") or any other highway, road and/or bridge improvements in the County, more specifically described in Exhibit H attached hereto and made a part thereof (collectively, the "Highway Project"); and

WHEREAS, the Commission reasonably estimates that the total cost of constructing the Highway Project, including closing costs and capitalized interest on any MDB Loan (as defined herein) will not exceed \$180,000,000; and

WHEREAS, the County has determined that it is in the best interest of the County to take such action as may reasonably be necessary to facilitate and accelerate the construction of the Highway Project; and

WHEREAS, the County proposes to accelerate the Highway Project by advancing to the Commission the funds necessary for the financing and construction of the Highway Project; and

WHEREAS, the County proposes to secure financing for the Highway Project by entering into a loan agreement (the "Loan Agreement") with the Mississippi Development Bank (the "Bank") pursuant to Section 31-25-1, *et seq.* of the Code; and

WHEREAS, the County and the Commission entered into that certain Interlocal Agreement dated January 11, 2005 (the "Original Interlocal Agreement") to provide a means for the acceleration of the Highway Project and to secure financing for the Highway Project; and

WHEREAS, the County and the Commission now desire to amend and restate the Original Interlocal Agreement to address additional matters as set forth herein; and

WHEREAS, the Bank and the County propose that they may secure one or more forward interest rate swaps pursuant to one or more agreements (collectively, the "Swap Agreement") between the Bank and one or more swap counterparties (collectively, the "Swap Counterparty"), as further described under Paragraph III.A.12(ii) hereof, whereby the Bank would be entitled to receive a floating interest rate payment on a notional amount equal to the principal amount of all or a portion of the Bank bonds issued to provide the MDB Loans for the Highway Project (as such notional amount shall be reduced from time to time in accordance with the terms of such Swap Agreement), on each swap payment date at a floating rate calculated in accordance with one or more confirmations to be executed under any Swap Agreement, and the Bank to be obligated to pay a Swap Counterparty swap payments as provided for under a Swap Agreement; and

WHEREAS, the Commission has found that the acceleration of the Highway Project is feasible, beneficial, within the financial resources of the Commission, and will be of benefit to the County, to the City of Madison, Mississippi ("Madison") to the City of Ridgeland, Mississippi ("Ridgeland") and the general public; and

WHEREAS, the Commission and the County desire to work in coordination and cooperation with each other in a government-to-government relationship for the benefit of both parties.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and other good and valuable consideration, the Commission and the County do hereby agree as follows:

I. PURPOSE

The purpose of this Agreement is to establish a protocol for, and define the respective responsibilities and obligations of the Commission and the County with respect to their joint and cooperative efforts to provide advance funding for an accelerated completion date of the Highway Project, which is located within the corporate boundaries of the County, Madison and Ridgeland.

The Commission proposes to construct the Highway Project with County funds on an accelerated time schedule. The County proposes to enter into one or more loan agreements with the Bank (the "MDB Loans"), a portion of the proceeds of which will be used to provide advance funding to the Commission to fund the financing and construction of the Highway Project. The

funds advanced by the County and expended by the Commission will be repaid by the Commission to the County in accordance with this Agreement in a manner that will satisfy the debt service requirements of the MDB Loans. In connection with the MDB Loans, the Bank and the County may enter into a Swap Agreement in accordance with the provisions of Section III.A.12. hereof.

II. CONTACT PERSONS

It is understood by both parties that the Commission executes all its orders and directives through the Executive Director of the Mississippi Department of Transportation (the "MDOT"). It is understood by both parties that the County executes all of its orders and directives through the Board of Supervisors of the County.

Unless otherwise notified in writing to the contrary, the appropriate contact person (the "MDOT Designated Officer") for the Commission for matters pertaining to this Agreement shall be:

Executive Director, Mississippi Department of Transportation
401 North West Street
Jackson, Mississippi 39215-1850
Telephone 601-359- 7002
Facsimile 601-359-7050

Unless otherwise notified in writing to the contrary, the appropriate contact person (the "County Designated Officer") for the County for matters pertaining to this Agreement shall be:

President, Board of Supervisors
Madison County, Mississippi
146 West Center Street
Canton, MS 39046
Telephone 601-855-5526
Facsimile 601-859-0307

By notice to the other party hereunder, the County Designated Officer and the MDOT Designated Officer may designate representatives to carry out the purposes of this Agreement.

All notices given hereunder shall be by U.S. Certified Mail, return receipt requested, or by facsimile and shall be effective only upon receipt by the addressee at the above addresses or telephone numbers.

III. ADMINISTRATION AND RESPONSIBILITIES OF THE PARTIES

It is understood and agreed that this undertaking is pursuant to the authority set forth in Section 65-1-8(2)(z) of the Code, which expressly authorizes the Commission and County to enter into this agreement for the County to advance funds to the Commission for the purpose of accelerating the completion date of the Highway Project, a scheduled project of the Commission. The County does not assume jurisdiction or responsibility for the Highway Project except with respect to certain funding as provided for in this Agreement.

A separate entity or administrative body is not created under the Cooperative Agreement.

A. The Commission hereby covenants, warrants and agrees as follows:

1. To conform throughout the Highway Project to appropriate details and requirements contained in the Commission's Standard Operating Procedures and the Federal Highway Administration Federal-aid Policy Guide.
2. To apply for and obtain all approvals and authorizations that may be required from the Federal Highway Administration (FHWA) including, but not limited to, FHWA's agreement to the contribution of federal funds as an additional source of funds for the Commission to use as legally available funds for retirement of the MDB Loans pursuant to this Agreement.
3. To complete design plans for the Highway Project and to acquire rights-of-way. This will include all outstanding activities and documents normally associated with design of a federal aid highway project and with acquisition of right-of-way therefor.
4. To provide construction engineering for the Highway Project through an engineer employed by MDOT or through a consultant engineer contract at the Commission's option.
5. To proceed with the advertisement, receipt of bids, and opening of bids and award of contract or contracts for construction of the Highway Project.
6. To administer the Highway Project construction contract or contracts, including making all payments to the contractors, and to complete the construction of the Highway Project with Highway Funds (hereinafter defined) or through other legally available funds of the Commission, which may include funds contributed by Madison for the Madison Portion of the Highway Project which such funds will be contributed pursuant to an Interlocal Cooperative Agreement between Madison and the Commission (the "Madison Interlocal"), and funds contributed by Ridgeland for the Ridgeland Portion of the Highway Project which such funds will be contributed pursuant to an Interlocal Cooperative Agreement between Ridgeland and the Commission (the "Ridgeland Interlocal"), the forms of such interlocal agreements are attached hereto as Exhibit F & G, respectfully.
7. To timely provide and submit to the trustee of the MDB Loans (the "Trustee"), as assignee of the County pursuant to an assignment agreement to be provided by the County to the Trustee, such requisition(s), certifications and documentation as defined and set forth in the form of the requisition attached hereto as Exhibit D (the "Requisition").

8. To comply, in the conduct of this Highway Project, with the provisions of Title VI of the 1964 Civil Rights Act.
9. To provide to the Trustee written instructions for investment of funds and accounts maintained under a Trust Indenture by and between the Bank and the Trustee (the "Indenture") and Loan Agreement for the MDB Loans with such investments to be made in eligible investments under the provisions of such Indenture and the Loan Agreement.
10. To provide, if requested by the Trustee, to the Trustee all plans and specifications, consultant engineer's agreements and construction contracts for the Highway Project.
11. To provide to the County and the Trustee a certificate of completion, a form of which is attached hereto as Exhibit C, when the Highway Project is complete. Once the Highway Project is complete and after payment of all costs then due and payable for the costs of the Highway Project, the Commission shall consent to use any surplus funds held by the Trustee of the MDB Loans for the Highway Project to redeem a portion of the principal of the MDB Loans at par in the manner provided in the Indenture governing the issuance of the MDB Loans.
12. (i) Effective from and after closing of the MDB Loans, to repay from time to time to the Trustee or paying agent of the MDB Loans (as the assignee of the County) the funds advanced by the County (the "Highway Funds"), plus interest thereon, which shall be in amounts necessary (a) to pay principal and interest on the MDB Loans on each payment date for the MDB Loans (whether on an interest payment date, at maturity, redemption or otherwise) in accordance with the Indenture and a debt service schedule to be provided to the Commission by the County on or before the MDB Loans closing for each MDB Loan and which shall be included and incorporated herein as Exhibit "A" to this Agreement; (b) to make all payments under any Swap Agreement as provided for under a loan agreement for an MDB Loan executed in connection with bonds issued by the Bank; and (c) to pay additional amounts under Section 4.4 of any loan agreement for the MDB Loans (or any similar provision providing for additional charges for a MDB Loan) which are ongoing costs and expenses for the MDB Loans. The Commission shall take such action as necessary to include the repayment of Highway Funds as provided in this Paragraph 12(i) in its annual budget and pay such payments with any legally available revenues of the Commission (which may include revenues provided from Madison pursuant to the Madison Interlocal and/or from Ridgeland pursuant to the Madison Interlocal); provided, however, the obligations of the Commission under this Agreement are not general obligations of the State of Mississippi and do not constitute a pledge of the full faith and credit of the State of Mississippi.

(ii) In connection with the MDB Loans, the Commission and the County acknowledge and agree that the Bank may enter into a Swap Agreement upon receiving the prior written consent of the Commission and the County. The Commission and the County acknowledge and agree that one or more interest rate swaps may be executed in connection with the proposed issuance of variable rate bonds which may be issued by the Bank to finance portions of the Highway Project and that any such Swap Agreement may be executed prior to the issuance of such variable rate bonds. In the event that a Swap Agreement is terminated prior to an effective date set forth in a confirmation to such Swap Agreement, then the Commission shall provide the necessary funds to pay any termination payment owed by the Bank under the terms and conditions of a Swap Agreement. Such payments under this Paragraph 12(ii) shall be included as a repayment of Highway Funds hereunder and as further set forth under that certain loan agreement to provide the initial funding for this Highway Project. The Commission shall take such action as necessary to include the repayment of Highway Funds as provided in this Paragraph 12(ii) in its annual budget and pay such payments with any legally available revenues of the Commission; provided, however, the obligations of the Commission under this Agreement are not general obligations of the State of Mississippi and do not constitute a pledge of the full faith and credit of the State of Mississippi.

13. (i) To approve the form of the intercept agreement in accordance with Section 31-25-28(5) of the Mississippi Code of 1972, as amended (the "Bank Act"), as additional security for any MDB Loan for the benefit of the Bank in substantially the form attached hereto as Exhibit B (the "Intercept Agreement"); and, (ii) if the Bank files with the Commission a copy of the Intercept Agreement, to comply with the Bank Act with respect to withholding and payment of any monies the County or Trustee as assignee of the County is entitled to receive pursuant to this Agreement and for which MDOT has included its annual budget and has been appropriated by the Mississippi Legislature in accordance with law.
14. To consent and allow the assignment and pledge by the County of this Agreement including, but not limited to, the Commission's obligation to repay the Highway Funds pursuant to Section III.A.12 of this Agreement, to the Trustee or paying agent of the MDB Loans to provide security for the MDB Loans and to be bound by this assignment.
15. To execute and deliver to the County or the Bank any other documents, certificates or statements necessary for the County and the Bank to issue the MDB Loans, to comply with audit standards, general accepted accounting principals, any indenture, loan agreement or any other financing document, or any document to assign this Agreement as security for the MDB Loans as is agreed to by the Commission.

16. To comply with the following pertaining to the tax-exempt status of the MDB Loans at all times and the Commission and/or MDOT shall confirm upon each Requisition submitted to the Trustee:
- a. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the MDB Loans, and for no other purpose, the Commission and MDOT covenant to comply with each applicable requirement of the Internal Revenue Code of 1986, as amended and supplemented from time to time (the "IRS Code"). In furtherance of the covenant contained in the preceding sentence, the Commission and MDOT agree to comply with the federal tax certificate or similar instrument to be executed by the Commission and MDOT on the date of the issuance and delivery of the MDB Loans, as such federal tax certificate or similar instrument may be amended from time to time.
 - b. The Commission and MDOT covenant and agree with the Trustee and the bondholders of the MDB Loans that the Commission and MDOT shall not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the MDB Loans, would cause the MDB Loans to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141(a) and 148(a), respectively, of the IRS Code, or any successor provisions.
 - c. The Commission and/or MDOT shall make any and all payments required to be made to the United States Department of the Treasury in connection with the MDB Loans pursuant to Section 148(f) of the IRS Code from amounts available therefor.
 - d. Upon the authentication and delivery of the MDB Loans, the Commission and MDOT shall furnish to the Trustee certificate(s) of the Commission and MDOT to the effect that, on the basis of the facts, estimates and circumstances in existence on the date of such authentication and delivery, it is not expected that the proceeds of the MDB Loans will be used in a manner that would cause such MDB Loans to be "arbitrage bonds" within the meaning of Section 148(a) of the IRS Code and Treasury Regulations thereunder, and in such certificate(s) the Commission and MDOT shall set forth such facts and circumstances that may be in brief and summary terms, and shall state that to the best of the knowledge and belief of the Commission and MDOT, there are no other facts or circumstances that would materially change the expectations expressed in such certificate.
 - e. So long as necessary in order to maintain the exclusion from gross income for federal income tax purposes under Section 103(a) of

the IRS Code of interest on the MDB Loans, the covenants contained in this Section 16 shall survive the payment of the MDB Loans and the interest thereon, including any payment or defeasance thereof pursuant to Section 9.2 of the Loan Agreement and Article IV or X of the Indenture, respectively, both pertaining to the issuance of the MDB Loans.

17. That repayment of Highway Funds pursuant to Section III.A.12 is in amounts which will be made no sooner than the Commission's identified projected revenue schedule for funding of the Highway Project.
18. That no other scheduled Highway Construction Project established by statute or by the Commission will be delayed by the advance funding of the Highway Project as provided under this Agreement.
19. That the acceleration of the Highway Project is both feasible and beneficial to the State of Mississippi.
20. If the net proceeds of any MDB Loan provided by the County are not sufficient to pay fully the complete cost of the Highway Project, the Commission and/or MDOT shall complete the Highway Project and will, at its sole expense, pay all such additional expense as may be necessary to complete the Highway Project substantially in accordance with the plans and specifications, provided, however that the parties acknowledge that the County or MDOT may seek contribution(s) from Madison and/or Ridgeland to provide funds for part of any such additional expense as provided for in the Madison Interlocal and/or the Ridgeland Interlocal, respectively, as the case may be.
21. Upon satisfactory completion, to accept the Highway Project that will be part of the State designated highway system and to maintain it in accordance with all applicable state and federal laws and regulations except for that portion of the Highway Project which Madison will maintain and which will not be part of the State designated highway system, which portion of the Highway Project is more fully described in the Madison Interlocal, and for that portion of the Highway Project which Ridgeland will maintain and which will not be part of the State designated highway system, which portion of the Highway Project is more fully described in the Ridgeland Interlocal.
22. To provide to the County and the Trustee information relating to the Commission and MDOT required under continuing disclosure undertakings as provided for in the final official statement distributed in connection with the MDB Loans.

23. To manage the engineering, right-of-way acquisition, bid and construction process in a manner that furthers the purpose of this Agreement which is the construction of the Highway Project as expeditiously as practical.
24. To proceed with approvals and authorizations from Madison in connection with the Madison Portion and from Ridgeland in connection with the Ridgeland Portion.
25. In the event that the Highway Project is not completed as originally contemplated to cooperate with the County to identify any other approved MDOT highway road and/or bridge improvements project in the County.
26. To provide the County with a copy of the completed Environmental Assessment pertaining to the Highway Project.

B. The County hereby covenants, warrants and agrees as follows:

1. To issue or cause to be issued one or more MDB Loans in aggregate amount of not to exceed \$180,000,000 pursuant to a schedule mutually agreed to by the County and Commission which will provide for efficient scheduling and acceleration of the financing and construction of the Highway Project. The net proceeds, after deducting costs of issuance, capitalized interest and any reserves required under the County's issuing resolutions or any Indenture, shall be deposited with the Trustee and shall be available for advance funding for the Highway Project (the "Net Proceeds"). Such MDB Loans shall be issued and sold to the Bank.
2. To provide the funds necessary to the Commission for the construction of the Highway Project in the amount of the Net Proceeds; provided, however, the obligation of the County to provide funds to the Commission for the Highway Project shall in no event exceed the Net Proceeds from the MDB Loans. Following receipt of Net Proceeds of the MDB Loans, funding will occur from time to time by the County through the Trustee for the costs of the Highway Project in each case within six (6) business days after receipt by the Trustee of a Requisition from the Commission.
3. To provide to the Commission the MDB Loans debt service payment schedule which shall be attached hereto as Exhibit "A" and incorporated herein.
4. To execute any other documents, certificates or statements necessary for the County, the Commission and MDB to provide for an interest rate swap under any Swap Agreement and to provide for the issuance of the MDB Loans, and to comply with any indenture, loan agreements or any other financing document, or any document to assign this Agreement as security for the MDB Loans and in connection with any Swap Agreement as is agreed to by the County.

5. In connection with any MDB Loan hereunder, the County shall provide on or before the applicable closing date the following which shall be included as Exhibit E hereunder:
 - (a) Series designation of Bonds issued by the Bank in connection with such MDB Loan and the original principal amount thereof;
 - (b) Date of execution of trust indenture and loan agreement executed in connection therewith; and
 - (c) Date of execution, effective date and initial notional amount for any Swap Agreement executed in connection therewith.
6. Upon receipt of each Requisition of the Commission and/or MDOT, the Trustee, as assignee of the County, shall pay or cause to be paid the amounts pursuant to such Requisition out of available Net Proceeds or, in the County's sole discretion, other moneys designated by the County for such payment. In making such payments the County and Trustee (as assignee of the County) may rely upon such Requisition and accompanying documents. If the Trustee determines that such Requisition does not comply with the provisions hereof it will provide written notice thereof to the Commission stating that the Requisition does not meet the requirements hereof and stating the deficiency therein, and that the County or Trustee, as assignee of the County, will not make payment under such nonconforming Requisition.
7. The County shall assist the Commission in every reasonable and appropriate manner in providing the Federal Highway Administration with financial, statistical and other records and reports, including but not limited to resolutions or other actions taken by the County supporting the Highway Project as may be requested or required by state and federal regulations and guidelines.
8. The County hereby warrants and represents to the Commission that the County approves and supports the Highway Project, that from the date of this Agreement and until the MDB Loan associated with the Highway Project is paid in full, the County will not withdraw its approval and support of the Highway Project and that the County will not take any action that would cause the Federal Highway Administration to withdraw its approval of the Highway Project. The County fully understands that withdrawing its support of the Highway Project will cause the Federal Highway Administration to withhold its support and cause the stoppage and/or significant delay of the Highway Project. If such an event occurs as a result of any County action, the Commission may pursue any available remedy at law or in equity or by statute to enforce any damages suffered by the Commission including but not limited to any expenditures made for the Highway Project before such stoppage and/or significant

delay occurred and for which the Federal Highway Administration will not reimburse the Commission for such payment.

IV. AMENDMENTS

This Agreement may be amended in writing as mutually agreed upon by the parties.

V. TERMINATION

This Agreement may be terminated by either of the parties by giving sixty (60) days prior written notice to the other prior to the issuance of the MDB Loans. After the County has received delivery of the MDB Loans, this Agreement may not be terminated except by mutual consent of the Commission and the County, with the approval of the Trustee (as the assignee of the County). The Commission and County understand and agree that the Trustee shall, as security for the MDB Loans, pledge or assign the revenues repaid by the Commission to the County. Notwithstanding the provisions set forth above in this Paragraph V, termination of this Agreement shall not occur until all bonds issued in connection with MDB Loans have been paid or deemed to have been paid in full in accordance with the Indenture providing for the issuance thereof and such Indenture shall have been discharged in accordance with the provisions thereof.

VI. DISPOSITION OF PROPERTY

Throughout the operation of this Agreement and following its expiration, all property attendant to the Highway Project shall remain property of the Commission, however, after completion, certain portions of the Highway Project may be transferred to Madison or Ridgeland for maintenance as provided for in the Madison Interlocal or Ridgeland Interlocal, respectively.

VII. SEVERABILITY

Should any provision of this Agreement be found to be unconstitutional, or otherwise be contrary to the laws of the State of Mississippi or the United States of America, to the extent that it is reasonably possible to do so, the remainder of this Agreement shall remain in full force and effect.

VIII. AUTHORITY

Authority for this Agreement has been granted by the Mississippi State Legislature pursuant to Sections 65-1-8(2)(z), 17-13-1 *et seq.* and 31-25-1 *et seq.* of the Code.

SO EXECUTED AND AGREED AS OF THE DATE SET FORTH
HEREINABOVE.

MADISON COUNTY, MISSISSIPPI

By: 
President, Board of Supervisors


ATTEST:

By: 
Chancery Clerk



Signature page of the Interlocal Cooperative Agreement between the Mississippi Transportation
Commission and Madison County, Mississippi.

**MISSISSIPPI TRANSPORTATION
COMMISSION, by and through the duly
authorized Executive Director of the Mississippi
Department of Transportation**

By: 
Larry L. Brown, Executive Director
Mississippi Department of Transportation

Signature page of the Interlocal Cooperative Agreement between the Mississippi Transportation Commission and Madison County, Mississippi.

EXHIBIT A
DEBT SERVICE SCHEDULE

BOND DEBT SERVICE

Mississippi Development Bank
Special Obligation Bonds, Series 2006
(Madison County, Mississippi Highway Construction Project)
Final Pricing

Dated Date 10/11/2006
Delivery Date 10/11/2006

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/11/2006					
01/01/2007			1,581,638.88	1,581,638.88	
07/01/2007			3,558,687.50	3,558,687.50	5,140,326.38
01/01/2008			3,558,687.50	3,558,687.50	
07/01/2008			3,558,687.50	3,558,687.50	7,117,375.00
01/01/2009	4,705,000	5.000%	3,558,687.50	8,263,687.50	
07/01/2009			3,441,062.50	3,441,062.50	11,704,750.00
01/01/2010	4,955,000	5.000%	3,441,062.50	8,396,062.50	
07/01/2010			3,317,187.50	3,317,187.50	11,713,250.00
01/01/2011	5,210,000	5.000%	3,317,187.50	8,527,187.50	
07/01/2011			3,186,937.50	3,186,937.50	11,714,125.00
01/01/2012	5,475,000	5.000%	3,186,937.50	8,661,937.50	
07/01/2012			3,050,062.50	3,050,062.50	11,712,000.00
01/01/2013	5,755,000	5.000%	3,050,062.50	8,805,062.50	
07/01/2013			2,906,187.50	2,906,187.50	11,711,250.00
01/01/2014	6,045,000	5.000%	2,906,187.50	8,951,187.50	
07/01/2014			2,755,062.50	2,755,062.50	11,706,250.00
01/01/2015	6,355,000	5.000%	2,755,062.50	9,110,062.50	
07/01/2015			2,596,187.50	2,596,187.50	11,706,250.00
01/01/2016	6,680,000	5.000%	2,596,187.50	9,276,187.50	
07/01/2016			2,429,187.50	2,429,187.50	11,705,375.00
01/01/2017	7,030,000	5.000%	2,429,187.50	9,459,187.50	
07/01/2017			2,253,437.50	2,253,437.50	11,712,625.00
01/01/2018	7,385,000	5.000%	2,253,437.50	9,638,437.50	
07/01/2018			2,068,812.50	2,068,812.50	11,707,250.00
01/01/2019	7,765,000	5.000%	2,068,812.50	9,833,812.50	
07/01/2019			1,874,687.50	1,874,687.50	11,708,500.00
01/01/2020	8,165,000	5.000%	1,874,687.50	10,039,687.50	
07/01/2020			1,670,562.50	1,670,562.50	11,710,250.00
01/01/2021	8,575,000	**	1,670,562.50	10,245,562.50	
07/01/2021			1,465,125.00	1,465,125.00	11,710,687.50
01/01/2022	8,995,000	**	1,465,125.00	10,460,125.00	
07/01/2022			1,250,237.50	1,250,237.50	11,710,362.50
01/01/2023	9,425,000	**	1,250,237.50	10,675,237.50	
07/01/2023			1,037,362.50	1,037,362.50	11,712,600.00
01/01/2024	9,855,000	4.500%	1,037,362.50	10,892,362.50	
07/01/2024			815,625.00	815,625.00	11,707,987.50
01/01/2025	10,335,000	5.000%	815,625.00	11,150,625.00	
07/01/2025			557,250.00	557,250.00	11,707,875.00
01/01/2026	10,870,000	5.000%	557,250.00	11,427,250.00	
07/01/2026			285,500.00	285,500.00	11,712,750.00
01/01/2027	11,420,000	5.000%	285,500.00	11,705,500.00	
07/01/2027					11,705,500.00
	145,000,000		89,737,338.88	234,737,338.88	234,737,338.88

EXHIBIT B

FORM OF THE INTERCEPT AGREEMENT

INTERCEPT AGREEMENT

This **INTERCEPT AGREEMENT**, dated _____, 2006 (the "Agreement"), is by and between the **MISSISSIPPI DEVELOPMENT BANK**, a public body corporate and politic (the "Bank"), created pursuant to the provisions of Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended (hereinafter referred to as the "Act") having its principal place of business in the City of Jackson, Mississippi and **MADISON COUNTY, MISSISSIPPI** (hereinafter referred to as the "Borrower"), a local governmental unit under the Act.

WITNESSETH

WHEREAS, pursuant to the Act, the Bank is authorized to loan money (as set forth in the Act) to local governmental units (as defined in the Act) of the State of Mississippi (hereinafter referred to as the "State"); and

WHEREAS, the Borrower has duly authorized the loan between the Bank and the Borrower (the "Loan") pursuant to the terms of a loan agreement by and between the Borrower and the Bank (the "Loan Agreement") secured by a Promissory Note (Madison County, Mississippi - Highway Construction Project), dated the date of delivery thereof, of the Borrower, in the principal amount of _____ Dollars (\$_____) (the "Note") and the Bank expects to provide the funds for the Loan from the proceeds of the Bonds of the Bank as hereinafter set forth; and

WHEREAS, pursuant to the Indenture of Trust, dated the date of delivery thereof, by and between the Bank and Hancock Bank, Gulfport, Mississippi, as Trustee (the "Trustee") (the "Indenture"), the Bank has duly authorized the issuance of its bonds designated the \$_____ Mississippi Development Bank Special Obligation Bonds, Series _____ (Madison County, Mississippi - Highway Construction Project), dated the date of delivery thereof (the "Bonds"), a portion of the proceeds of which will be used to provide the funds for the Loan between the Bank and the Borrower; and

WHEREAS, any local governmental unit is authorized under Section 31-25-28(5) of the Act to agree in writing with the Bank that the Mississippi State Treasurer (the "Treasurer's Office"), the Mississippi Transportation Commission ("MTC") and the Mississippi Department of Transportation ("MDOT"), as a commission and a department, respectively, created pursuant to State law, or any other State agency, department or commission created pursuant to State law shall (a) withhold all or any part (as agreed by the local governmental unit) of any monies which such local governmental unit is entitled to receive from time to time pursuant to any law and which is in the possession of any State agency, department or commission created pursuant to State law, including funds held by the Treasurer's Office, MTC and/or MDOT pursuant to that certain Amended and Restated Interlocal Cooperative Agreement between MTC and the Borrower, dated _____ (the "Cooperative Agreement") and (b) pay the same over to the Trustee to satisfy any delinquent payments on any loan made to such local governmental unit under provisions of the Act and any other delinquent payments due and owing the Bank by such local governmental unit, all as the same shall occur.

NOW, THEREFORE, the Bank and the Borrower agree as follows:

1. As authorized by the Act, the Borrower hereby covenants, agrees and authorizes the Treasurer's Office, MTC, MDOT or any other State agency, department or commission to (1) withhold all or any part of any monies which the Borrower is entitled to receive from time to time pursuant to the Cooperative Agreement, for which MDOT has included in its annual budget and has been appropriated by the Mississippi Legislature in accordance with law, and which is in possession of the Treasurer's Office, MTC, MDOT or any other State agency, department or commission created pursuant to State law (the "Intercept Monies") and (2) pay same over to the Trustee to satisfy any delinquent payment (the "Delinquent Payment") under Sections 4.2, 4.4(5) and/or 4.4(6) of the Loan Agreement. The Intercept Monies are only those funds which are due to Borrower by MTC and/or MDOT under the terms of the Cooperative Agreement and no other funds or monies due Borrower shall be or are the subject of or otherwise affected by this Intercept Agreement.

2. If there are not sufficient amounts to make the payments under Sections 4.2, 4.4(5) and/or 4.4(6) of the Loan Agreement, when due under the provisions of the Loan Agreement, the Bank hereby authorizes and directs the Trustee under the provisions of this Agreement to file this Agreement and a statement of deficiency setting forth the amount of any Delinquent Payment with the Treasurer's Office, MTC, MDOT, or any other State agency, department or commission created pursuant to State law, thereby directing the Treasurer's Office, MTC, MDOT or any other State agency, department or commission created pursuant to State law to pay any Intercept Monies directly to the Trustee, on behalf of the Bank, to satisfy any Delinquent Payment, all as permitted under the Act. In any event, if the Borrower fails to make timely payments required under the Loan Agreement and the Note, as provided in Sections 4.2, 4.4(5) and/or 4.4(6) of the Loan Agreement, the Trustee is hereby further directed to file this Agreement with the Treasurer's Office, MTC, MDOT or any other State agency, department or commission created pursuant to State law and take further action to recover Intercept Monies under the Indenture. This paragraph 2 includes requirements in addition to the requirements under paragraph 1 and this paragraph 2 in no way limits the rights of the Trustee or the Bank.

3. The Trustee is directed under the Indenture to deposit any Intercept Monies it receives into the Interest Account and the Principal Account in accordance with the Indenture, except for any Delinquent Payment under Section 4.4(5) or 4.4(6) of the Loan Agreement which shall be applied in accordance with the provisions thereof.

4. This Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute one and the same instrument. The Bank and Borrower each agree that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Agreement.

5. No waiver of either the Bank or the Borrower of any term or condition of this Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Agreement.

6. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the Bank and the Borrower relating to the subject matter hereof and constitutes the entire Agreement between the Bank and the Borrower in respect hereof.

[The Remainder of this Page is Intentionally Left Blank.]

IN WITNESSETH WHEREOF, we have hereunto set our hands as of the date first above written.

MISSISSIPPI DEVELOPMENT BANK

BY: _____
Executive Director

ATTEST:

Secretary

MADISON COUNTY, MISSISSIPPI

BY: _____
President, Board of Supervisors

ATTEST:

Chancery Clerk

ACCEPTED BY:

_____, **AS TRUSTEE**

BY: _____

EXHIBIT C

FORM OF COMPLETION CERTIFICATE

COMPLETION CERTIFICATE

TO: HANCOCK BANK, AS TRUSTEE, AND MADISON COUNTY, MISSISSIPPI
(THE "COUNTY")

FROM: MISSISSIPPI DEPARTMENT OF TRANSPORTATION ("MDOT")

SUBJECT: LOAN AGREEMENT, DATED _____, 2006, BETWEEN THE
MISSISSIPPI DEVELOPMENT BANK AND THE COUNTY (THE "LOAN
AGREEMENT")

The undersigned does hereby certify:

1. The acquisition, construction and installation of the Highway Project have been substantially completed in accordance with the Plans and Specifications and in such manner as to conform with all applicable zoning, planning and building regulations of the governmental authorities having jurisdiction of the Highway Project, as of _____ (the "Completion Date").

2. The Costs of the Highway Project have been paid in full except for those not yet due and payable, which are described below and for which moneys for payment thereof are being held in the Series 2006 Project Fund:

Costs of the Highway Project not yet due and payable:

<u>Description</u>	<u>Amount</u>
_____	\$ _____
Total	\$ _____

3. The moneys in the Series 2006 Project Fund in excess of the totals set forth in 2 above represent surplus bond proceeds and the Trustee is hereby authorized and directed to transfer all such surplus bond proceeds to the General Account pursuant to Section 3.6 of the Loan Agreement.

4. No event of default has occurred under the Loan Agreement or the Cooperative Agreement nor has any event occurred which with the giving of notice or lapse of time or both shall become such an event of default. Nothing has occurred to the knowledge of the MDOT that would prevent the performance of its obligations under the Cooperative Agreement.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Loan Agreement.

This certificate is give without prejudice to any rights against third parties which exist at the date hereof or which may subsequently come into being.

Executed this _____ day of _____, _____.

AUTHORIZED MDOT REPRESENTATIVE

By: _____
Name: _____
Title: _____

EXHIBIT D

FORM OF REQUISITION CERTIFICATE

REQUISITION CERTIFICATE

TO: HANCOCK BANK, AS TRUSTEE

FROM: MISSISSIPPI DEPARTMENT OF TRANSPORTATION ("MDOT")

SUBJECT: LOAN AGREEMENT, DATED _____, 200__, BETWEEN THE MISSISSIPPI DEVELOPMENT BANK AND MADISON COUNTY, MISSISSIPPI (THE "LOAN AGREEMENT")

This represents Requisition Certificate No. _____ in the total amount of \$ _____ for payment of those costs of the Highway Project detailed in the schedule, invoice and summary documentation attached. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Loan Agreement.

The undersigned does certify that:

1. All of the expenditures for which moneys are requested hereby represent valid and proper Costs of the Highway Project which have been paid by MDOT or which are currently due and payable, have not been included in a previous Requisition Certificate and have been properly recorded on the MDOT's books.

2. The moneys requested hereby are not greater than those necessary to meet obligations due and payable or to reimburse MDOT for funds actually advanced for Costs of the Highway Project. The moneys requested do not include retention or other moneys not yet due or earned under construction contracts.

3. There has not been filed with or served upon MDOT or the Commission any notice of any lien, right to a lien or attachment upon or claims affecting the right of any person to receive payment of the respective amount stated in this Requisition Certificate.

4. After payment of moneys hereby requested, there will remain available to MDOT from the Series _____ Project Fund, or other legally available monies, sufficient funds to complete or restore the Highway Project substantially in accordance with the Plans and Specifications.

5. All of the necessary permits and approvals required for this portion of the Highway Project for which such withdrawal is being requested are in full force and effect.

6. The withdrawal and use of the moneys in the Series _____ Project Fund are for the Highway Project and will not cause any of the representations or certificates contained in the Indenture, the Loan Agreement or the Cooperative Agreement to be untrue.

7. MDOT and the Commission are in compliance with the tax covenants set forth in Section III.A.16 of the Cooperative Agreement.

8. MDOT and the Commission are not in default under the Cooperative Agreement and nothing has occurred to the knowledge of MDOT that would prevent the performance of their obligations under the Cooperative Agreement.

9. Delivered herewith to the Trustee are all of the documents required by Section 3.4 of the Loan Agreement.

10. MDOT and the Commission hereby authorize and direct the Trustee to provide a copy of this Requisition Certificate (and all attachments) to the County, together with confirmation of payment hereunder for amounts paid by the Trustee under this Requisition Certificate.

11. Attached hereto are summary schedules and invoices for Costs of the Highway Project under this Requisition Certificate. Additional detail supporting documentation and invoices are on file with the Commission and shall be made available to the Trustee for review upon request by the Trustee to MDOT.

Executed this ____ day of _____, ____

AUTHORIZED MDOT REPRESENTATIVE

By: _____
Name: _____
Title: _____

SCHEDULE 1

PAYEE AND ADDRESS

AMOUNT

\$ _____

EXHIBIT E

SERIES DESIGNATION AND DATE OF EXECUTION OF BOND DOCUMENTS

Series Designation - 2006

Date of Execution of Bond Documents - October 19, 2006

EXHIBIT F
MADISON INTERLOCAL

INTERLOCAL COOPERATIVE AGREEMENT

This **INTERLOCAL COOPERATIVE AGREEMENT** is made and entered into as of this ____ day of August, 2006, by and between the **MISSISSIPPI TRANSPORTATION COMMISSION** (the "Commission"), a body corporate of the State of Mississippi and the **CITY OF MADISON, MISSISSIPPI**, a municipal corporation organized and existing under the laws of the State of Mississippi (the "City").

WITNESSETH:

WHEREAS, Section 65-1-8(2)(z) of the Mississippi Code of 1972, as amended and supplemented from time to time (the "MTC Act"), authorizes the Mississippi Transportation Commission (the "Commission") to enter into agreements with other entities for the purposes of accelerating the completion date of scheduled highway construction projects; and

WHEREAS, the Commission has on its regular schedule of construction, with a reasonably expected estimated completion date of May 2012, a project for the design, right of way acquisition, and construction of a split-diamond interchange, frontage roads and connector roads which together provide additional capacity to United States Interstate Highway 55 from Old Agency Road to State Road 463, along with the connector road of Madison Avenue in the City of Madison, Mississippi from Highland Colony Parkway to United States Highway 51 and State Highway 463 from Grandview Boulevard/Galleria Parkway to United States Highway 51 (the "City Portion") and the construction of a multi-lane McClellan Drive in the City of Ridgeland, Mississippi from Highland Colony Parkway to United States Highway 51 (the "Ridgeland Portion") or any other highway, road and/or bridge improvements in the County (collectively, the "Highway Project"); and

WHEREAS, the Commission reasonably estimates that the total cost of constructing the Highway Project will not exceed \$180,000,000 of which approximately \$32,350,000 is represented by the City Portion and which directly benefits the City; and

WHEREAS, Madison County, Mississippi (the "County") has determined that it is in the best interest of the County to take such action as may reasonably be necessary to facilitate and accelerate the construction of the Highway Project; and

WHEREAS, the County and the Commission entered into that certain Interlocal Cooperative Agreement, dated January 11, 2005, as amended and restated by that certain Amended and Restated Interlocal Cooperative Agreement, dated July 25, 2006 (together, the "County Interlocal") in order to accelerate the completion date of the Highway Project and to provide the funding for such acceleration in accordance with the MTC Act, a copy of which County Interlocal is attached hereto as **Exhibit A** and made a part hereof; and

WHEREAS, pursuant to the County Interlocal, the County will secure financing for the Highway Project by entering into one or more loans (the "Loan") pursuant to one or more loan agreements (the "Loan Agreement") with the Mississippi Development Bank (the "Bank") pursuant to Section 31-25-1 *et seq.* of the Mississippi Code of 1972, as amended and supplemented from time to time (the "Bank Act"); and

WHEREAS, the City has also determined that it is in its best interest to take such action as may reasonably be necessary to facilitate and accelerate the construction of the City Portion of the Highway Project; and

WHEREAS, the County Interlocal allows for the Commission to proceed with any necessary approvals and authorizations from the City to provide a financial contribution from the City in connection with financing a portion of the cost of the City Portion of the Highway Project as further provided herein; and

WHEREAS, the Commission and the City desire to enter into a joint effort as authorized by Section 17-13-1 *et seq.* of the Mississippi Code of 1972, as amended and supplemented from time to time (the "Interlocal Act") and Section 65-1-27 of the Mississippi Code of 1972 (the "City Act") to make the most efficient use of their respective legal powers and to enable the facilitation and acceleration of the construction of the Highway Project and for the City to participate financially towards the financing of the City Portion of the Highway Project and other related matters.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and other good and valuable consideration, the Commission and the City do hereby agree as follows:

I. PURPOSE

The purpose of this Agreement is to establish a protocol for and define the respective responsibilities and obligations of the Commission and the City with respect to their joint and cooperative efforts to provide funding for the accelerated completion date of the Highway Project, a portion of which is located within the corporate boundaries of the City.

The Commission proposes to comply with all of the terms and conditions of the County Interlocal in order for the County to provide the funding for the accelerated construction of the Highway Project. The City proposes to assist the Commission in providing for the repayment of principal on the Loan in an amount not to exceed \$6,470,000 and the interest associated with such principal amount, which principal and interest amount is equal to twenty percent (20%) of the total estimated debt service amount of the City Portion of the Highway Project, and such amount is to be paid by the City pursuant to a debt service schedule to be provided in accordance with this Agreement.

II. DURATION

This Agreement shall be in force and effect for the entire term of the Loan.

III. ORGANIZATION & STATUTORY AUTHORITY

There will be no separate legal or administrative entity created pursuant to this Agreement. The City and Commission are authorized by the MTC Act, the City Act and the Interlocal Act to jointly exercise and carry out the powers, authorities, and responsibilities to be exercised by each of them pursuant to the terms of this Agreement.

IV. ADMINISTRATION

A. The Commission hereby covenants, warrants and agrees as follows:

1. To comply with all the covenants, terms and conditions of the County Interlocal, which such covenants, terms and conditions are made a part hereof;
2. To provide the City with a copy of the completed Environmental Assessment pertaining to the Highway Project, including the City Portion;
3. To provide a schedule for the design and construction of the Highway Project, including the City Portion, which such schedule shall include a preliminary schedule as to the closing of the Bonds by the County;
4. To exercise all powers needed to carry out and assist in the implementation and completion of the Highway Project, including the City Portion; and
5. To provide to the City a debt service schedule of the City's participating Loan repayment amounts with such schedule to be provided no later than five (5) days after the pricing of any Bonds issued by the Bank to fund the Loan.

B. The City hereby covenants, warrants and agrees as follows:

1. To cooperate with the County, the Commission and the Mississippi Department of Transportation ("MDOT") in the design and construction of the Highway Project, including the City Portion;
2. Effective from and after the closing of the Loan, the City shall pay to MDOT (a) the designated amount in the debt service schedule provided to the City by the Commission for the Loan repayment in connection with the City Portion of the Highway Project in the initial aggregate principal amount not to exceed \$6,470,000, redemption premium, if any, and interest accrued on such amount as provided on Exhibit A attached hereto, and (b) its pro rata share of any additional amounts consisting of additional charges (as provided in Section 4.4 of Loan Agreement), which consist of on-going costs and expenses associated with the Loan and Bonds issued by the Bank in connection therewith (together, (a) and (b) constitute the "City Contribution")
3. The City shall take such action as necessary to include its payment of the City Contribution as provided in Paragraph 2 in its annual budget and pay such payments with any legally available revenues;

4. The City hereby warrants and represents to the Commission that the City approves and supports the City Portion of the Highway Project as well as the remainder of the Highway Project, that from the date of this Agreement and until the Loan associated with the Highway Project is paid in full, the City will not withdraw its approval and support of the City Portion of the Highway Project or the remainder of the Highway Project and that the City will not take any action that would cause the Federal Highway Administration to withdraw its approval of the City Portion of the Highway Project or the remainder of the Highway Project. The City fully understands that withdrawing its support of the City Portion of the Highway Project or the remainder of the Highway Project will cause the Federal Highway Administration to withhold its support and cause the stoppage and/or significant delay of the City Portion of the Highway Project or the remainder of the Highway Project. If such an event occurs as a result of any City action, the Commission may pursue any available remedy at law or in equity or by statute to enforce any damages suffered by the Commission including but not limited to any expenditures made for the City Portion of the Highway Project before such stoppage and/or significant delay occurred and for which the Federal Highway Administration will not reimburse the Commission for such payment.
5. To execute and deliver to the Commission, County or the Bank any other documents, certificates or statements necessary for the Commission, County and the Bank to enter into the Loan, or to comply with audit standards and general accepted accounting principals; and
6. The City shall assist the Commission in every reasonable and appropriate manner in providing the Federal Highway Administration with financial, statistical and other records and reports, including but not limited to resolutions or other actions taken by the City supporting the Highway Project as may be requested or required by state and federal regulations and guidelines.
7. The City will not suspend or discontinue the payment of the City Contribution and will perform and observe all of its other agreements in this Agreement, and will not terminate this Agreement except in accordance with Paragraph IX hereof; it being the intention of the parties hereto that the City Contribution shall be paid in full when due without any delay or diminution whatever.
8. The City shall purchase rights-of-way and move utilities along Madison Avenue, which is part of the City Portion of the Highway Project.
9. The City shall use its best efforts to obtain a letter from Canadian National Railroad in which the Canadian National Railroad agrees to an at grade crossing on United States Highway 463, which is part of the City Portion of the Highway Project.

10. After the completion of the improvements to and along Madison Avenue, which is part of the City Portion of the Highway Project, the City shall provide maintenance to and along Madison Avenue.
11. The City represents and warrants that this Agreement, including without limitation the provisions of Section IV(B) hereof, is enforceable against the City in accordance with their respective terms, except as such enforceability may be limited (1) by bankruptcy, reorganization, or similar laws limiting the enforceability of creditors' rights generally or (2) by the availability of any discretionary equitable remedies.

V. JURISDICTION

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MISSISSIPPI.

Any legal action or proceeding with respect to this Agreement and any action for enforcement of any judgment in respect thereof may be brought in Hinds County, Mississippi and, by execution and delivery of this Agreement, each of the Parties hereby accepts for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts and appellate courts from any appeal thereof. Each of the Parties irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party at its notice address provided pursuant to Paragraph VIII the Parties hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Agreement brought in the courts referred to above and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein shall affect the right of any party to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the other Parties in any other jurisdiction.

VI. DEFAULTS AND REMEDIES

If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

- (a) Default in the due and punctual payment by the City of any portion of the City Contribution as determined by the debt service schedule attached hereto; or
- (b) Default in the performance or observation of any of the covenants and agreements in the part of the City.

Upon the occurrences of an Event of Default, the Commission may pursue any available remedy at law or in equity or by statute to enforce the payment of any portion of the City Contribution by the City. The Commission may pursue its remedies against the City even if the Federal Highway Administration has withdrawn its support of the Highway Project (including the City Portion thereof) and the City contributed to the withdrawal of such support.

VII. AMENDMENT

This Agreement may be amended at any time by the mutual consent of the City and the Commission by an agreement entered into pursuant to the provisions of the Interlocal Act. No such amendment shall have a material adverse effect on the ability of the Commission to enter into the County Interlocal or have a material adverse effect on the ability of the City to make debt service payments or to pay any portion of the City Contribution.

VIII. CONTACT PERSONS

It is understood by all parties that the City executes all of its orders and directives through its Board of Aldermen. It is understood by both parties that the Commission executes all its orders and directives through the Executive Director of the Mississippi Department of Transportation (the "MDOT").

Unless otherwise notified in writing to the contrary, the appropriate contact person (the "City Designated Officer") for the Commission for matters pertaining to this Agreement shall be:

Mary Hawkins Butler, Mayor
Susan B. Crandall, City Clerk
City Hall, 1004 Madison Avenue
Madison, Mississippi 39110
Telephone: (601) 856-7116
Facsimile: (601) 856-8786

Unless otherwise notified in writing to the contrary, the appropriate contact person (the "MDOT Designated Officer") for the Commission for matters pertaining to this Agreement shall be:

Executive Director, Mississippi Department of Transportation
401 North West Street
Jackson, Mississippi 39215-1850
Telephone: (601) 359-7002
Facsimile: (601) 359-7050

All notices given hereunder shall be by U.S. Certified Mail, return receipt requested, or by facsimile and shall be effective only upon receipt by the addressee at the above addresses or telephone numbers.

IX. TERMINATION

This Agreement may be terminated by either of the parties by giving sixty (60) days' prior written notice to the other prior to the issuance of the Loan. After the closing of the Loan, this Agreement may not be terminated except by mutual consent of all the parties. Notwithstanding the provisions set forth above in this Paragraph, termination of this Agreement shall not occur until all Bonds issued in connection with the Loan have been paid or deemed to

have been paid in full in accordance with the documents providing for the issuance thereof and such documents shall have been discharged in accordance with the provisions thereof.

X. DISPOSITION OF PROPERTY

Throughout the operation of this Agreement and following its expiration, all property attendant to the Highway Project shall remain property of the Commission; provided, however, as provided in Paragraph IV.B (9), that portion of the City Portion of the Highway Project shall be transferred to the City for maintenance.

XI. SEVERABILITY

Should any provision of this Agreement be found to be unconstitutional, or otherwise be contrary to the laws of the State of Mississippi or the United States of America, to the extent that it is reasonably possibly to do so, the remainder of this Agreement shall remain in full force and effect.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

WITNESS the signatures of the duly authorized officers of the Cities and the Commission as of the date first above written.

CITY OF MADISON, MISSISSIPPI

By: _____
Mayor

ATTEST:

City Clerk

(SEAL)

**MISSISSIPPI TRANSPORTATION
COMMISSION, by and through the duly
authorized Executive Director of the Mississippi
Department of Transportation**

By: _____
Larry Brown, Executive Director
Mississippi Department of Transportation

EXHIBIT G
RIDGELAND INTERLOCAL

INTERLOCAL COOPERATIVE AGREEMENT

This **INTERLOCAL COOPERATIVE AGREEMENT** is made and entered into as of this ____ day of August, 2006, by and between the **MISSISSIPPI TRANSPORTATION COMMISSION** (the "Commission"), a body corporate of the State of Mississippi and the **CITY OF RIDGELAND, MISSISSIPPI**, a municipal corporation organized and existing under the laws of the State of Mississippi (the "City").

WITNESSETH:

WHEREAS, Section 65-1-8(2)(z) of the Mississippi Code of 1972, as amended and supplemented from time to time (the "MTC Act"), authorizes the Mississippi Transportation Commission (the "Commission") to enter into agreements with other entities for the purposes of accelerating the completion date of scheduled highway construction projects; and

WHEREAS, the Commission has on its regular schedule of construction, with a reasonably expected estimated completion date of May 2012, a project for the design, right of way acquisition, and construction of a split-diamond interchange, frontage roads and connector roads which together provide additional capacity to United States Interstate Highway 55 from Old Agency Road to State Road 463, along with the connector road of Madison Avenue in the City of Madison, Mississippi from Highland Colony Parkway to United States Highway 51 and State Highway 463 from Grandview Boulevard/Galleria Parkway to United States Highway 51 (the "Madison Portion") and the construction of a multi-lane McClellan Drive in the City of Ridgeland, Mississippi from Highland Colony Parkway to United States Highway 51 (the "City Portion") or any other highway, road and/or bridge improvements in the County (collectively, the "Highway Project"); and

WHEREAS, the Commission reasonably estimates that the total cost of constructing the Highway Project will not exceed \$180,000,000 of which approximately \$26,300,000 is represented by the City Portion and which directly benefits the City; and

WHEREAS, Madison County, Mississippi (the "County") has determined that it is in the best interest of the County to take such action as may reasonably be necessary to facilitate and accelerate the construction of the Highway Project; and

WHEREAS, the County and the Commission entered into that certain Interlocal Cooperative Agreement, dated January 11, 2005, as amended and restated by that certain Amended and Restated Interlocal Cooperative Agreement, dated July 25, 2006 (together, the "County Interlocal") in order to accelerate the completion date of the Highway Project and to provide the funding for such acceleration in accordance with the MTC Act, a copy of which County Interlocal is attached hereto as **Exhibit A** and made a part hereof; and

WHEREAS, pursuant to the County Interlocal, the County will secure financing for the Highway Project by entering into one or more loans (the "Loan") pursuant to one or more loan agreements (the "Loan Agreement") with the Mississippi Development Bank (the "Bank") pursuant to Section 31-25-1 *et seq.* of the Mississippi Code of 1972, as amended and supplemented from time to time (the "Bank Act"); and

WHEREAS, the City has also determined that it is in its best interest to take such action as may reasonably be necessary to facilitate and accelerate the construction of the City Portion of the Highway Project; and

WHEREAS, the County Interlocal allows for the Commission to proceed with any necessary approvals and authorizations from the City to provide a financial contribution from the City in connection with financing a portion of the cost of the City Portion of the Highway Project as further provided herein; and

WHEREAS, the Commission and the City desire to enter into a joint effort as authorized by Section 17-13-1 *et seq.* of the Mississippi Code of 1972, as amended and supplemented from time to time (the "Interlocal Act") and Section 65-1-27 of the Mississippi Code of 1972 (the "City Act") to make the most efficient use of their respective legal powers and to enable the facilitation and acceleration of the construction of the Highway Project and for the City to participate financially towards the financing of the City Portion of the Highway Project and other related matters.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and other good and valuable consideration, the Commission and the City do hereby agree as follows:

I. PURPOSE

The purpose of this Agreement is to establish a protocol for and define the respective responsibilities and obligations of the Commission and the City with respect to their joint and cooperative efforts to provide funding for the accelerated completion date of the Highway Project, a portion of which is located within the corporate boundaries of the City.

The Commission proposes to comply with all of the terms and conditions of the County Interlocal in order for the County to provide the funding for the accelerated construction of the Highway Project. The City proposes to assist the Commission in providing for the repayment of principal on the Loan in an amount not to exceed \$5,260,000 and the interest associated with such principal amount, which principal and interest amount is equal to twenty percent (20%) of the total estimated debt service amount of the City Portion of the Highway Project, and such amount is to be paid by the City pursuant to a debt service schedule to be provided in accordance with this Agreement.

II. DURATION

This Agreement shall be in force and effect for the entire term of the Loan.

III. ORGANIZATION & STATUTORY AUTHORITY

There will be no separate legal or administrative entity created pursuant to this Agreement. The City and Commission are authorized by the MTC Act, the City Act and the Interlocal Act to jointly exercise and carry out the powers, authorities, and responsibilities to be exercised by each of them pursuant to the terms of this Agreement.

IV. ADMINISTRATION

A. The Commission hereby covenants, warrants and agrees as follows:

1. To comply with all the covenants, terms and conditions of the County Interlocal, which such covenants, terms and conditions are made a part hereof;
2. To provide the City with a copy of the completed Environmental Assessment pertaining to the Highway Project, including the City Portion;
3. To provide a schedule for the design and construction of the Highway Project, including the City Portion, which such schedule shall include a preliminary schedule as to the closing of the Bonds by the County;
4. To exercise all powers needed to carry out and assist in the implementation and completion of the Highway Project, including the City Portion; and
5. To provide to the City a debt service schedule of the City's participating Loan repayment amounts with such schedule to be provided no later than five (5) days after the pricing of any Bonds issued by the Bank to fund the Loan.

B. The City hereby covenants, warrants and agrees as follows:

1. To cooperate with the County, the Commission and the Mississippi Department of Transportation ("MDOT") in the design and construction of the Highway Project, including the City Portion;
2. Effective from and after the closing of the Loan, the City shall pay to MDOT (a) the designated amount in the debt service schedule provided to the City by the Commission for the Loan repayment in connection with the City Portion of the Highway Project in the initial aggregate principal amount not to exceed \$5,260,000, redemption premium, if any, and interest accrued on such amount as provided on Exhibit A attached hereto; and (b) its pro rata share of any additional amounts consisting of additional charges (as provided in Section 4.4 of Loan Agreement), which consist of on-going costs and expenses associated with the Loan and Bonds issued by the Bank in connection therewith (together, (a) and (b) constitute the "City Contribution");
3. The City shall take such action as necessary to include its payment of the City Contribution as provided in Paragraph 2 in its annual budget and pay such payments with any legally available revenues;

4. The City hereby warrants and represents to the Commission that the City approves and supports the City Portion of the Highway Project as well as the remainder of the Highway Project, that from the date of this Agreement and until the Loan associated with the Highway Project is paid in full, the City will not withdraw its approval and support of the City Portion of the Highway Project or the remainder of the Highway Project and that the City will not take any action that would cause the Federal Highway Administration to withdraw its approval of the City Portion of the Highway Project or the remainder of the Highway Project. The City fully understands that withdrawing its support of the City Portion of the Highway Project or the remainder of the Highway Project will cause the Federal Highway Administration to withhold its support and cause the stoppage and/or significant delay of the City Portion of the Highway Project or the remainder of the Highway Project. If such an event occurs as a result of any City action, the Commission may pursue any available remedy at law or in equity or by statute to enforce any damages suffered by the Commission including but not limited to any expenditures made for the City Portion of the Highway Project before such stoppage and/or significant delay occurred and for which the Federal Highway Administration will not reimburse the Commission for such payment.
5. To execute and deliver to the Commission, County or the Bank any other documents, certificates or statements necessary for the Commission, County and the Bank to enter into the Loan, or to comply with audit standards and general accepted accounting principals; and
6. The City shall assist the Commission in every reasonable and appropriate manner in providing the Federal Highway Administration with financial, statistical and other records and reports, including but not limited to resolutions or other actions taken by the City supporting the Highway Project as may be requested or required by state and federal regulations and guidelines.
7. The City will not suspend or discontinue the payment of the City Contribution and will perform and observe all of its other agreements in this Agreement, and will not terminate this Agreement except in accordance with Paragraph IX hereof; it being the intention of the parties hereto that the City Contribution shall be paid in full when due without any delay or diminution whatever.
8. After the completion of the improvements to and along McClellan Drive, which is part of the City Portion of the Highway Project, the City shall provide maintenance to and along McClellan Drive along with providing maintenance to and along Jackson Street from United States Interstate 55 to United States Highway 51.

9. The City shall purchase rights-of-way and move utilities along McLellan Drive, which is part of the City Portion of the Highway Project.
10. The City represents and warrants that this Agreement, including without limitation the provisions of Section IV(B) hereof, is enforceable against the City in accordance with their respective terms, except as such enforceability may be limited (1) by bankruptcy, reorganization, or similar laws limiting the enforceability of creditors' rights generally or (2) by the availability of any discretionary equitable remedies.

V. JURISDICTION

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MISSISSIPPI.

Any legal action or proceeding with respect to this Agreement and any action for enforcement of any judgment in respect thereof may be brought in Hinds County, Mississippi and, by execution and delivery of this Agreement, each of the Parties hereby accepts for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts and appellate courts from any appeal thereof. Each of the Parties irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party at its notice address provided pursuant to Paragraph VIII the Parties hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Agreement brought in the courts referred to above and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein shall affect the right of any party to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the other Parties in any other jurisdiction.

VI. DEFAULTS AND REMEDIES

If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

- (a) Default in the due and punctual payment by the City of any portion of the City Contribution as determined by the debt service schedule attached hereto; or
- (b) Default in the performance or observation of any of the covenants and agreements in the part of the City.

Upon the occurrences of an Event of Default, the Commission may pursue any available remedy at law or in equity or by statute to enforce the payment of any portion of the City Contribution by the City. The Commission may pursue its remedies against the City even if the Federal Highway Administration has withdrawn its support of the Highway Project (including the City Portion thereof) and the City contributed to the withdrawal of such support.

VII. AMENDMENT

This Agreement may be amended at any time by the mutual consent of the City and the Commission by an agreement entered into pursuant to the provisions of the Interlocal Act. No such amendment shall have a material adverse effect on the ability of the Commission to enter into the County Interlocal or have a material adverse effect on the ability of the City to make debt service payments or to pay any portion of the City Contribution.

VIII. CONTACT PERSONS

It is understood by all parties that the City executes all of its orders and directives through its Mayor. It is understood by both parties that the Commission executes all its orders and directives through the Executive Director of the Mississippi Department of Transportation (the "MDOT").

Unless otherwise notified in writing to the contrary, the appropriate contact person (the "City Designated Officer") for the Commission for matters pertaining to this Agreement shall be:

Honorable Gene McGee, Mayor
City of Ridgeland, Mississippi
City Hall, 304 Hwy. 51 S.
Ridgeland, MS 39157
Telephone 601-856-7113
Facsimile 601-853-2010

Unless otherwise notified in writing to the contrary, the appropriate contact person (the "MDOT Designated Officer") for the Commission for matters pertaining to this Agreement shall be:

Executive Director, Mississippi Department of Transportation
401 North West Street
Jackson, Mississippi 39215-1850
Telephone: (601) 359-7002
Facsimile: (601) 359-7050

All notices given hereunder shall be by U.S. Certified Mail, return receipt requested, or by facsimile and shall be effective only upon receipt by the addressee at the above addresses or telephone numbers.

IX. TERMINATION

This Agreement may be terminated by either of the parties by giving sixty (60) days' prior written notice to the other prior to the issuance of the Loan. After the closing of the Loan, this Agreement may not be terminated except by mutual consent of all the parties. Notwithstanding the provisions set forth above in this Paragraph, termination of this Agreement shall not occur until all Bonds issued in connection with the Loan have been paid or deemed to

have been paid in full in accordance with the documents providing for the issuance thereof and such documents shall have been discharged in accordance with the provisions thereof.

X. DISPOSITION OF PROPERTY

Throughout the operation of this Agreement and following its expiration, all property attendant to the Highway Project shall remain property of the Commission; provided, however, as provided in Paragraph IV.B (8), that portion of the City Portion of the Highway Project shall be transferred to the City for maintenance.

XI. SEVERABILITY

Should any provision of this Agreement be found to be unconstitutional, or otherwise be contrary to the laws of the State of Mississippi or the United States of America, to the extent that it is reasonably possibly to do so, the remainder of this Agreement shall remain in full force and effect.

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WITNESS the signatures of the duly authorized officers of the Cities and the Commission as of the date first above written.

CITY OF RIDGELAND, MISSISSIPPI

By: _____
Mayor

ATTEST:

City Clerk

(SEAL)

**MISSISSIPPI TRANSPORTATION
COMMISSION, by and through the duly
authorized Executive Director of the Mississippi
Department of Transportation**

By: _____
Larry Brown, Executive Director
Mississippi Department of Transportation

EXHIBIT A

COUNTY INTERLOCAL AGREEMENT

EXHIBIT B
DEBT SERVICE SCHEDULE

EXHIBIT H
OTHER MDOT PROJECTS IN THE COUNTY

I-55 Widening and Improvements from SR 463 to Canton - \$100,000,000,
I-220 Reconstruction from County Line Road to the Natchez Trace - \$200,000,000,
I-55 Gluckstadt Interchange - \$30,000,000,
US 49 between Flora and the Yazoo County Line, Bridge Replacement – 3,500,000,
SR 43 at the South Canton Bypass, Bridge Replacement - \$2,300,000,
I-220 from the Madison County Line to I-55 - \$2,500,000, and/or
SR 16 from US 51 to Monroe Street in Canton - \$2,400,000.