

INTERCEPT AGREEMENT

This **INTERCEPT AGREEMENT**, dated _____, 2013 (this "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 and supplemented from time to time (hereinafter referred to as the "Bank Act"), and **MADISON COUNTY, MISSISSIPPI** (the "County"), a local governmental unit under the Bank Act.

WITNESSETH

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

WHEREAS, the County and the Bank have duly authorized a loan from the Bank to the County (the "Loan") pursuant to the terms of a Loan Agreement dated the date hereof by and between the County and the Bank (the "Loan Agreement"), secured by a Promissory Note, Series 2013C (Madison County, Mississippi Highway Refunding Project), dated the date hereof, of the County, in the original principal amount of \$_____,000 (the "Series 2013C Note"); and

WHEREAS, the Bank expects to provide the funds for the Loan from the proceeds of the Bank's Special Obligation Refunding Bonds, Series 2013C (Madison County, Mississippi Highway Refunding Project), dated the date of delivery thereof (the "Series 2013C Bonds") in an original aggregate principal amount of \$_____; and

WHEREAS, pursuant to the Indenture of Trust, dated the date hereof (the "Indenture"), by and between the Bank and Hancock Bank, as Trustee (the "Trustee"), the Bank has duly authorized the issuance of the Series 2013C Bonds, the proceeds of which will be used to fund the Loan; and

WHEREAS, any local governmental unit is authorized under Section 31-25-28(5) of the Bank 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 moneys 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 Amended and Restated Interlocal Cooperative Agreement between MTC and the County, effective as of July 25, 2006, as the same shall be amended from time to time (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 Bank Act and any other delinquent payments due and owing the Bank by such local governmental unit, all as the same shall occur; and

WHEREAS, under the Bank Act and in connection with the Cooperative Agreement, the Bank and the County have previously entered into and delivered an Intercept Agreement dated October 11, 2006 (the "Series 2006 Intercept Agreement"); and

WHEREAS, the Series 2006 Intercept Agreement was delivered pursuant to a loan from the Bank to the County (the "2006 Loan") pursuant to the terms of a Loan Agreement, dated October 11, 2006, by and between the County and the Bank (the "Series 2006 Loan Agreement"), secured by a Promissory Note, Series 2006 (Madison County, Mississippi Highway Construction Project), dated October 11, 2006, of the County, in the original total principal amount of \$145,000,000; and

WHEREAS, the Bank provided the funds for the 2006 Loan from the proceeds of the Bank's Special Obligation Bonds, Series 2006 (Madison County, Mississippi Highway Construction Project), dated October 11, 2006, in the original aggregate principal amount of \$145,000,000.

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

SECTION 1. As authorized by the Bank Act, the County hereby covenants, agrees and authorizes the Treasurer's Office, MTC, MDOT, or any other State agency, department or commission to (a) withhold all or any part of any moneys which the County is entitled to receive from time to time pursuant to the Cooperative Agreement and the Loan Agreement, and which have been included in MDOT's annual budget, have been appropriated by the State Legislature in accordance with law, and are in possession of the Treasurer's Office, MTC, MDOT or any other State agency, department or commission created pursuant to State law (the "Intercept Moneys"), subject to the Intercept Moneys which may be withheld by the Treasurer's Office, MTC, MDOT or any other State agency, department or commission pursuant to the Series 2006 Intercept Agreement and which could be paid over to the Trustee to satisfy any delinquent payment (the "Series 2006 Delinquent Payment") under Section 4.8 of the Series 2006 Loan Agreement, and (b) pay the same over to the Trustee to satisfy any delinquent payment (the "Delinquent Payment") under Section 4.8 of the Loan Agreement. The Intercept Moneys are only those funds that are due to the County by MTC and/or MDOT under the terms of the Cooperative Agreement and the Loan Agreement, and no other funds or moneys due the County shall be or are the subject of or otherwise affected by this Agreement. If, at any time, there are Delinquent Payments and Series 2006 Delinquent Payments occurring simultaneously under the Loan Agreement and the Series 2006 Loan Agreement, the Trustee is directed to apply the Intercept Moneys to the Delinquent Payments and the Series 2006 Delinquent Payments on a proportionate basis.

SECTION 2. If on the first day of each June and December, commencing June 1, 201___, there are insufficient Project Revenues (as defined in the Loan Agreement) to make the payments under Section 4.2 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 Moneys directly to the Trustee, for and on behalf of the Bank, to satisfy any Delinquent Payment, all as permitted under the Bank Act. In any event, if the County fails to make timely payments under the Loan Agreement and/or the Series 2013C Note, as provided in Section 4.2 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 Moneys as required to be taken by the Trustee under this Agreement and 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.

SECTION 3. The Trustee is directed under the Indenture to deposit any Intercept Moneys it receives into the General Account of the General Fund (as such terms are defined in the Indenture) in accordance with the Indenture.

SECTION 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 the County 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.

SECTION 5. No waiver of either the Bank or the County 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.

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

SECTION 7. The provisions of this Agreement and all rights and obligations of the parties hereunder shall be governed and construed in accordance with the laws of the State.

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IN WITNESSETH WHEREOF, we have set our hands unto this Intercept Agreement 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:

HANCOCK BANK, as Trustee

BY: _____
Senior Vice President and Trust Officer