The City will reimburse the Underwriter against any losses, claims, damages or liabilities, joint or several, to which the Underwriter may become subject insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Official Statement, or any amendment or supplement thereto, or arise out of or are based upon the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; and the City will reimburse the Underwriter for any legal or other expenses reasonably incurred by the Underwriter in connection with investigating or defending any such action or claim. The obligations of the City in this paragraph shall be in addition to any other obligations which the City may otherwise have.

The Bank represents that it has, or agrees to: authorize, execute and deliver the Indenture, the Tax Intercept Agreement, this Bond Purchase Agreement and the Loan Agreement, to be dated as of the delivery date of the Series 2013 Bonds, between the City and the Bank (the "Loan Agreement"), which is secured by the City's $3,500,000 Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project) (the "Note"), and which is to be executed by the City and assigned by the Bank to the Trustee, and the Continuing Disclosure Agreement relating to the Series 2013 Bonds (the "Continuing Disclosure Agreement") prior to the Closing Date with only such changes therein from the forms thereof on the date hereof as are approved by the Underwriter, the Closing in all events to be deemed such approval.

The City has authorized and agrees to execute and deliver the Loan Agreement, the Note, this Bond Purchase Agreement, the Tax Intercept Agreement and the Continuing Disclosure Agreement.

4. The Bank hereby represents and warrants to and covenants with the Underwriter that:

(a) The Bank is and will be as of the date of the Closing a public body corporate and politic of the State of Mississippi.

(b) The Bank is and will be as of the date of Closing authorized under the laws of the State of Mississippi, including particularly Sections 21-27-23 and 21-27-41 through 21-27-69, Mississippi Code of 1972, as amended from time to time (the "Bond Act") and Sections 31-25-1 et seq., Mississippi Code of 1972, as amended from time to time (the "Bank Act" and together with the Bond Act, the "Act") to: (i) adopt such resolutions as are necessary to approve the issuance of the Series 2013 Bonds; (ii) issue the Series 2013 Bonds for the purposes described in the Official Statement; (iii) lend the proceeds of the Series 2013 Bonds to the City for the purposes set forth in the Official Statement; (iv) enter into, execute and deliver this Bond Purchase Agreement, the Indenture, the Loan Agreement, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the Official Statement; and (v) pledge and assign to the Trustee certain of the Bank's rights under the Loan Agreement and the Note, pursuant to the Indenture, as security for the payment of the Series 2013 Bonds.

(c) The Bank has full power and authority to consummate the transactions contemplated to be consummated by it pursuant to this Bond Purchase Agreement, the

Series 2013 Bonds, the Indenture, the Loan Agreement, the Tax Intercept Agreement and the Official Statement.

(d) The information contained in the sections of the Preliminary Official Statement and the Official Statement captioned "INTRODUCTION" (to the extent applicable to the Bank), "Purpose of the Series 2013 Bonds," "THE MISSISSIPPI DEVELOPMENT BANK," "LITIGATION" (to the extent applicable to the Bank), and "VALIDATION" is, in the case of the Preliminary Official Statement, and, in the case of the Official Statement will be on the date thereof and as of the date of Closing, true and correct in all material respects; such sections of the Preliminary Official Statement do not contain and such sections of the Official Statement will not, as of the date of delivery of the Official Statement or as of the date of Closing, contain any untrue statement of a material fact; and such sections of the Preliminary Official Statement do not omit and such sections of the Official Statement will not omit as of the date of delivery of the Official Statement or the date of Closing, to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(e) The Bank shall have prior to the Closing duly authorized all necessary action to be taken by it for (i) the issuance and sale of the Series 2013 Bonds upon the terms set forth herein, in the Official Statement and in the Indenture; (ii) the loan of the proceeds thereof to the City and the use of such proceeds as contemplated by the Official Statement; (iii) the execution, delivery and/or receipt of this Bond Purchase Agreement, the Indenture, the Loan Agreement, the Series 2013 Bonds, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the Official Statement, the approval and the execution, delivery, receipt and/or approval of any and all such other agreements and documents as may be required to be executed, delivered and received by the Bank in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and (iv) the effectuation and consummation of the transactions contemplated by this Bond Purchase Agreement, the Official Statement, the Indenture, the Loan Agreement and the Tax Intercept Agreement.

(f) The Series 2013 Bonds, when issued, delivered and paid for as herein and in the Indenture provided, will have been duly authorized and issued and will constitute valid and binding special limited obligations of the Bank enforceable in accordance with their terms and entitled to the benefits and security of the Indenture (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights from time to time in effect and further subject to the availability of equitable remedies).

(g) No event affecting the Bank has occurred since the date of the Preliminary Official Statement, or is expected by the Bank to occur, which should be described in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading.

(h) The resolution of the Bank, authorizing the issuance and sale of the Series 2013 Bonds adopted on June 12, 2013 (the "Bank Resolution"), has not been modified, amended or repealed except as set forth herein and is in full force and effect on the date hereof.

(i) The Bank will direct the Trustee to apply the proceeds from the sale of the Series 2013 Bonds immediately after the Closing as specified in the Indenture and in any instructions delivered at Closing by an authorized officer of the Bank.

(j) The Bank is in compliance with all material laws and regulations applicable to it and its operations which, if violated by the Bank, could adversely affect the Bank's ability to take the actions contemplated hereby and by the Official Statement, the Loan Agreement, the Indenture, the Continuing Disclosure Agreement and the Tax Intercept Agreement.

(k) The Bank is not, in any way which could adversely affect the Bank's ability to take the actions contemplated hereby and by the Official Statement, the Loan Agreement, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the Indenture, in breach of or in default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage, lease, sublease or other instrument to which it is a party or by which it or its property is or may be bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder which could adversely affect the Bank's ability to take the actions contemplated hereby or by the Official Statement, the Loan Agreement, the Tax Intercept Agreement, the Continuing Disclosure Agreement, or the Indenture.

(l) The execution and delivery by the Bank of this Bond Purchase Agreement, the Official Statement, the Series 2013 Bonds, the Indenture, the Loan Agreement, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the other documents contemplated hereby and by the Preliminary Official Statement, the assignment to the Trustee of certain of the Bank's rights under the Loan Agreement and the Note and the compliance by the Bank with the provisions of each of the foregoing documents will not, to any extent or in any way which could adversely affect the Bank's ability to take the actions contemplated hereby and by the Loan Agreement, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the Indenture, conflict with or constitute on the part of the Bank a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage or loan agreement by which the Bank or its property is or may be bound.

(m) Other than the anticipated court proceedings to validate the Series 2013 Bonds, no litigation or proceeding to which the Bank is a party is pending or, to the knowledge of the Bank, threatened against or affecting the Bank (i) contesting the due organization or valid existence of the Bank, (ii) to restrain or enjoin the issuance or delivery of the Series 2013 Bonds, the application of the proceeds thereof, the functioning of the Bank or the payment, collection or application of revenues pursuant to the Indenture, the Loan Agreement, the Tax Intercept Agreement or the Note, (iii) in any

way contesting or affecting any authority for, or the validity or execution of the Series 2013 Bonds, the Indenture, the Loan Agreement and the Tax Intercept Agreement or this Bond Purchase Agreement, the application of the proceeds of the Series 2013 Bonds or the payment, collection or application of revenues or the pledge thereof pursuant to the Indenture, Loan Agreement or the Note, or (iv) in any way contesting the right and power of the Bank to take the actions to be taken by the Bank contemplated by such documents. To the knowledge of the Bank, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or threatened against or affecting the Bank (or any meritorious basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity of any agreement or instrument to which the Bank is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement.

(n) The Bank covenants that between the date hereof and the Closing it will not take any action or permit any action within its control to be taken which will cause the representations and warranties of the Bank made herein to be untrue as of the Closing.

(o) The Bank agrees to cooperate with the Underwriter in any endeavor to qualify the Series 2013 Bonds for offering and sale under the securities or "blue sky" laws of such jurisdictions of the United States as the Underwriter may request. The Bank consents to the use of drafts of the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement by the Underwriter in obtaining such qualification.

(p) The Bank agrees that all representations, warranties and covenants made by it hereunder shall remain in full force and effect despite any investigation by or on behalf of the Underwriter and shall survive any termination of this Bond Purchase Agreement.

5. The City hereby represents and warrants to and covenants with the Underwriter that:

(a) The City is and will be as of the date of the Closing a municipality organized and existing under the laws of the State of Mississippi.

(b) The City is and will be as of the date of Closing authorized under the laws of the State of Mississippi, including particularly the Act to: (i) adopt such resolutions as are necessary to approve the borrowing of the proceeds of the Series 2013 Bonds; (ii) execute and deliver the Note for the purposes described in the Official Statement; (iii) borrow the proceeds of the Series 2013 Bonds from the Bank for the purposes set forth in the Official Statement; (iv) enter into, execute and deliver this Bond Purchase Agreement, the Loan Agreement, the Note, the Tax Intercept Agreement and the Continuing Disclosure Agreement; and (v) approve the pledge and assignment to the Trustee of certain of the Bank's rights under the Loan Agreement and the Note, pursuant to the Indenture, as security for the payment of the Series 2013 Bonds.

(c) The City has full power and authority to consummate the transactions contemplated to be consummated by it pursuant to this Bond Purchase Agreement, the Series 2013 Bonds, the Indenture, the Loan Agreement, the Note, the Continuing Disclosure Agreement, the Tax Intercept Agreement and the Official Statement.

(d) The information contained in the Preliminary Official Statement and the Official Statement is, in the case of the Preliminary Official Statement, and, in the case of the Official Statement will be on the date thereof and as of the date of Closing, true and correct in all material respects; the Preliminary Official Statement does not contain and the Official Statement will not, as of the date of delivery of the Official Statement or as of the date of Closing, contain any untrue statement of a material fact; and the Preliminary Official Statement does not omit and the Official Statement will not omit as of the date of delivery of the Official Statement or the date of Closing, to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(e) The City shall have prior to the Closing duly authorized all necessary action to be taken by it for (i) approving the borrowing of the proceeds of the Series 2013 Bonds from the Bank and the use of such proceeds as contemplated by the Official Statement; (ii) the execution, delivery and/or receipt of this Bond Purchase Agreement, the Loan Agreement, the Note, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the Official Statement, the approval and the execution, delivery, receipt and/or approval of any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and (iii) the effectuation and consummation of the transactions contemplated by this Bond Purchase Agreement, the Official Statement, the Note, the Tax Intercept Agreement, the Continuing Disclosure Agreement, the Indenture and the Loan Agreement.

(f) The Note, when issued, delivered and paid for as herein and in the Indenture provided, will have been duly authorized and issued and will constitute a valid and binding obligation of the City enforceable in accordance with its terms (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights from time to time in effect and further subject to the availability of equitable remedies).

(g) No event affecting the City has occurred since the date of the Preliminary Official Statement, or is expected by the City to occur, which should be described in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of which they were made, not misleading.

(h) The resolution of the City, authorizing the borrowing of the proceeds of the Series 2013 Bonds, adopted on June 18, 2013, (together the "City Resolution"), has not been modified, amended or repealed except as set forth herein and is in full force and effect on the date hereof.

(i) The City will direct the Bank to apply the proceeds from the sale of the Series 2013 Bonds immediately after the Closing as specified in the Indenture and in any instructions delivered at Closing by an authorized officer of the City.

(j) The City is in compliance with all material laws and regulations applicable to it and its operations which, if violated by the City, could adversely affect the City's ability to take the actions contemplated hereby and by the Official Statement, the Loan Agreement, the Indenture, the Continuing Disclosure Agreement and the Tax Intercept Agreement.

(k) The City is not, in any way which could adversely affect the City's ability to take the actions contemplated hereby and by the Official Statement, the Loan Agreement, the Note, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the Indenture, in breach of or in default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage, lease, sublease or other instrument to which it is a party or by which it or its property is or may be bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder which could adversely affect the City's ability to take the actions contemplated hereby or by the Official Statement, the Loan Agreement, the Note, the Tax Intercept Agreement, the Continuing Disclosure Agreement or the Indenture.

(l) The execution and delivery by the City of this Bond Purchase Agreement, the Note, the Loan Agreement, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the other documents contemplated hereby and by the Preliminary Official Statement, the Official Statement and the Note and the compliance by the City with the provisions of each of the foregoing documents will not, to any extent or in any way which could adversely affect the City's ability to take the actions contemplated hereby and by the Loan Agreement, the Tax Intercept Agreement, the Continuing Disclosure Agreement and the Indenture, conflict with or constitute on the part of the City a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage or loan agreement by which the City or its property is or may be bound.

(m) Other than the anticipated court proceedings to validate the Series 2013 Bonds, no litigation or proceeding to which the City is a party is pending or, to the knowledge of the City, threatened against or affecting the City (i) contesting the due organization or valid existence of the City, (ii) to restrain or enjoin the issuance or delivery of the Series 2013 Bonds or the Note, the application of the proceeds thereof, the functioning of the City or the payment, collection or application of revenues pursuant to the Indenture, the Loan Agreement, the Tax Intercept Agreement or the Note, (iii) in any way contesting or affecting any authority for, or the validity or execution of the Series 2013 Bonds, the Indenture, the Loan Agreement, the Continuing Disclosure Agreement and the Tax Intercept Agreement or this Bond Purchase Agreement, the application of the proceeds of the Series 2013 Bonds or the payment, collection or application of revenues or the pledge thereof pursuant to the Indenture, the Loan Agreement or the Note, or (iv) in any way contesting the right and power of the City to take the actions to be taken by

the City contemplated by such documents. To the knowledge of the City, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any Court, public board or body pending or threatened against or affecting the City (or any meritorious basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity of any agreement or instrument to which the City is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement.

(n) The City covenants that between the date hereof and the Closing it will not take any action or permit any action within its control to be taken which will cause the representations and warranties of the City made herein to be untrue as of the Closing.

(o) The City agrees to cooperate with the Underwriter in any endeavor to qualify the Series 2013 Bonds for offering and sale under the securities or "blue sky" laws of such jurisdictions of the United States as the Underwriter may request. The City consents to the use of drafts of the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement by the Underwriter in obtaining such qualification.

(p) The City agrees that all representations, warranties and covenants made by it hereunder shall remain in full force and effect despite any investigation by or on behalf of the Underwriter and shall survive any termination of this Bond Purchase Agreement.

6. At on or before 12:00 o'clock P.M., Central Daylight Savings Time, on _____, 2013 or at such other time or such other date, as shall have been mutually agreed upon by the Bank, the City and the Underwriter, the Bank will deliver, or cause to be delivered, to the Underwriter the Series 2013 Bonds, in a form acceptable to Bond Counsel, duly executed and duly authenticated by the Trustee, together with the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price of the Series 2013 Bonds in immediately available funds by check or wire transfer or transfers.

Delivery of the Series 2013 Bonds as aforesaid shall be made at such location in New York, New York as is mutually agreed upon by the Underwriter, the Bank and the Trustee. Concurrent with such delivery, the Bank and the City shall deliver the certificates, reports and documents described in Section 8 hereof at the offices of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi. Such delivery is herein called the "Closing." The Series 2013 Bonds will be delivered to The Depository Trust Company as definitive fully registered bonds in denominations equal to the principal amount of each maturity.

The Underwriter shall have the right to cancel its obligation to purchase the Series 2013 Bonds if between the date hereof and the Closing, (a) legislation shall be enacted or be pending for consideration for enactment by the Congress of the United States, or adopted or pending for consideration by either House of Congress, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of competent jurisdiction of the United States or the United States Tax Court

shall be rendered, or a ruling, regulation, temporary regulation or official release or statement by or on behalf of any agency of the federal government shall be made or proposed to be made which, in the reasonable judgment of the Underwriter materially adversely affects the market price or marketability of the Series 2013 Bonds, or the market price or marketability generally of obligations of the general character of the Series 2013 Bonds, (b) there shall be proposed or pending for consideration any legislative body (or committee thereof) of the State of Mississippi, or any such legislation shall have been adopted or approved, which, in the reasonable judgment of the Underwriter has the effect of adversely affecting the exemption of interest on the Series 2013 Bonds from all Mississippi taxation, except estate and transfer taxes, (c) any event shall have occurred or information shall have become known which, in the reasonable judgment of the Underwriter either (i) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or (ii) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein under the circumstances in which made not misleading in any material respect, (d) legislation shall be enacted, or be pending for consideration for enactment by the Congress of the United States, or a decision by a court of competent jurisdiction of the United States shall hereafter be rendered, or a ruling or regulation by the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall hereafter be made, the effect of which is that (i) Series 2013 Bonds are not exempt from the registration, qualification or other similar requirements of the Securities Act of 1933, as amended and as then in effect, and the Securities Exchange Act of 1934, as amended, and as then in effect, or (ii) the Indenture is not exempt from the registration, qualification or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect, (e) a stop order, ruling or regulation by the Securities and Exchange Commission shall be issued or made, the effect of which is that the issuance, offering, and sale of the Series 2013 Bonds, or of obligations of the general character of the Series 2013 Bonds, is in violation of any provision of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect, (f) there shall have occurred any outbreak of hostilities or other national or international emergency, the effect of such outbreak or emergency, on the financial markets of the United States which, in the reasonable judgment of the Underwriter would materially adversely affect the market price or marketability of the Series 2013 Bonds, (g) there shall be in force a general suspension of trading on the New York Stock Exchange or the fixing of maximum or minimum prices for securities on said Exchange, (h) a general banking moratorium shall have been declared by federal, Mississippi or New York authorities or an extraordinary major financial crisis shall have occurred which, in the reasonable judgment of the Underwriter, would make the marketing of Series 2013 Bonds generally impractical, or (i) a supplement or amendment shall have been made to the Official Statement subsequent to the date hereof which in the reasonable judgment of the Underwriter materially adversely affects the marketability of the Series 2013 Bonds or the market price thereof, unless such supplement or amendment shall have been agreed to in writing by the Underwriter.

7. The obligations of the Underwriter hereunder to purchase the Series 2013 Bonds shall be subject to the performance by the Bank of its obligations to be performed hereunder at and prior to the Closing, to the performance by the City of its obligations to be performed hereunder at or prior to the Closing, to the accuracy in all material respects, in the reasonable judgment of the Underwriter, of the representations and warranties of the Bank and of the City

herein, in both cases, as of the date hereof and as of the time of the Closing and, in compliance with the following conditions:

(a) At the time of the Closing, (i) the Indenture, the Loan Agreement, the Note, the Tax Intercept Agreement and the Continuing Disclosure Agreement shall have been executed by the party or parties thereto and shall be in full force and effect and the forms of such instruments and the form of the Official Statement as of the date hereof shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, the Closing in all events however to be deemed such approval, (ii) the Bank and the City shall have duly adopted and there shall be in full force and effect such resolutions as shall, in the opinion of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, Ridgeland, Mississippi ("Bond Counsel"), be necessary in connection with the transactions contemplated hereby, (iii) the representations and warranties of the Bank provided in Section 4 hereof and of the City in Section 5 hereof shall be true, complete and correct in all material respects as if then made, (iv) the Bank and the City shall perform or have performed all obligations required under or specified in this Bond Purchase Agreement to be performed at or prior to the Closing, and (v) the proceeds of the sale of the Series 2013 Bonds shall be applied and deposited as described in the Official Statement.

(b) At or prior to the Closing, the Bank shall have delivered the Series 2013 Bonds and shall have assigned and delivered the Note to the Trustee.

(c) At or prior to the Closing, the Underwriter shall receive the following documents:

(A) the approving opinion of Bond Counsel dated the date of the Closing, substantially in the form attached as an exhibit to the Preliminary Official Statement, together with letter to the Underwriter authorizing reliance thereon;

(B) an opinion, dated the date of Closing, of counsel for the Bank, in form and content reasonably acceptable to the Underwriter, either addressed to the Underwriter or accompanied by a letter to the Underwriter authorizing reliance thereon;

(C) an opinion, dated the date of the Closing, of counsel for the City, in form and content reasonably acceptable to the Underwriter, either addressed to the Underwriter or accompanied by a letter to the Underwriter authorizing reliance thereon;

(D) An opinion from Balch & Bingham LLP, in a form satisfactory to the Underwriter;

(E) a certificate of the City, dated the date of the Closing, signed by authorized officers of the City, in form and content reasonably acceptable to the Underwriter;

(F) a certificate of the Bank dated the date of the Closing and signed by an appropriate official or representative of the Bank, in form and content reasonably acceptable to the Underwriter;

(G) one copy of the Official Statement executed on behalf of the Bank by the Executive Director of the Bank;

(H) an opinion of Bond Counsel with respect to certain provisions of the Official Statement, in form and content reasonably acceptable to the Underwriter;

(I) executed or conformed copies each of the Indenture, the Loan Agreement, the Continuing Disclosure Agreement, the Tax Intercept Agreement and the Note duly executed by the parties thereto;

(J) a certified copy of the Bank Resolution of the Bank authorizing, approving or ratifying the execution and delivery of the Series 2013 Bonds, the Indenture, the Preliminary Official Statement, the Official Statement, the Loan Agreement, the Tax Intercept Agreement, the Continuing Disclosure Agreement and this Bond Purchase Agreement;

(K) certified copies of City Resolution of the City authorizing the execution and delivery of the Preliminary Official Statement, the Official Statement, the Loan Agreement, the Note, the Tax Intercept Agreement, the Continuing Disclosure Agreement and this Bond Purchase Agreement, together with a certification as to incumbency of officers;

(L) a certificate of the Trustee to the effect that (i) all moneys and securities delivered to the Trustee under and pursuant to the Indenture have been duly deposited to the credit of the appropriate funds established under or in accordance with the Indenture or otherwise applied as provided in the Indenture, (ii) the Indenture has been duly executed and delivered by the Trustee, (iii) the Series 2013 Bonds have been authenticated and (iv) the Trustee has no knowledge of any default under the Indenture;

(M) evidence of validation of the Series 2013 Bonds by judgment of the Chancery Court of the First Judicial District of Hinds County, Mississippi;

(N) copy of Blanket Issuer Letter of Representations of the Bank;

(O) rating letter evidencing that Standard & Poor's Ratings Group has assigned a rating of "_____" to the Series 2013 Bonds; and

(P) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request to evidence compliance by the Bank and the City with legal requirements, the truth and accuracy, as of the time of Closing, of their respective representations contained herein and the due performance or satisfaction by each

thereof at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by each thereof.

The Bank and the City will furnish the Underwriter with additional conformed copies of such opinions, certificates, letters and documents as the Underwriter reasonably requests.

If either the Bank or the City shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement, or if the obligations of the Underwriter to purchase and accept delivery of the Series 2013 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter nor the Bank shall be under further obligation hereunder. However, the Underwriter may, in its sole discretion, waive one or more of the conditions imposed by this Bond Purchase Agreement for the protection of the Underwriter and proceed with the Closing contemplated hereby.

8. All representations, warranties and agreements of the Bank and the City herein shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter, and shall survive any termination of this Bond Purchase Agreement by the Underwriter pursuant to the terms hereof.

9. The Bank will pay or cause to be paid from, but only from, the proceeds of the Series 2013 Bonds, and other moneys provided by the City, all expenses incident to the performance of the Bank's obligations under this Bond Purchase Agreement, including, but not limited to, mailing or delivery of the Series 2013 Bonds, costs of printing the Series 2013 Bonds, the Preliminary Official Statement, and the Official Statement, including the mailing and delivery thereof by the printer, fees and disbursements of Bond Counsel, expenses of the Bank, fees for bond ratings, financial advisor fees and expenses, costs and expenses of preparing and reproducing this Bond Purchase Agreement, the Indenture, the Loan Agreement, the Note, the Continuing Disclosure Agreement and the Tax Intercept Agreement and fees and expenses of the Trustee. The Underwriter shall pay the cost of all advertising expenses in connection with the public offering of the Series 2013 Bonds, and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Series 2013 Bonds.

10. Any notice or other communication to be given to the Bank, the City or the Underwriter under this Bond Purchase Agreement shall be given in writing and shall be mailed, telegraphed or delivered to the following respective addresses until otherwise directed by written notice to the other parties hereto:

The Bank: Mississippi Development Bank
753 Riverside Drive, Suite 300
Jackson, MS 39202
Attention: William T. Barry, Executive Director

The City:	City of Gautier, Mississippi City Hall 3330 Hwy 90 Gautier, MS 39553 Attention: City Clerk
The Underwriter:	Raymond James & Associates, Inc. Morgan Keegan Tower 50 North Front Street Memphis, TN 38103 Attention: Public Finance

11. This Bond Purchase Agreement is made solely for the benefit of the Bank, the City and the Underwriter and their respective successors and assigns and no other person shall acquire or have any right hereunder or by virtue hereof. The terms "successors" and "assigns" as used in the preceding sentence shall not include any purchasers of any Series 2013 Bonds from or through the Underwriter merely because of such purchase. All representations, warranties and agreements in this Bond Purchase Agreement shall remain in full force and effect, regardless of (a) delivery of and payment for the Series 2013 Bonds hereunder and (b) any termination of this Bond Purchase Agreement.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

12. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi.

Very truly yours,

RAYMOND JAMES & ASSOCIATES, INC.
MEMPHIS, TENNESSEE

BY: _____
TITLE:_____

Signature Page to the Bond Purchase Agreement, dated _____, 2013, by and among the Mississippi Development Bank, the City of Gautier, Mississippi and Raymond James & Associates, Inc., Memphis, Tennessee, regarding the sale of $3,500,000 Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project).