

ESCROW DEPOSIT TRUST AGREEMENT

MISSISSIPPI DEVELOPMENT BANK,

MADISON COUNTY, MISSISSIPPI

AND

HANCOCK BANK
Jackson, Mississippi,
As Escrow Agent

Dated as of _____, 2013

FOR:

\$145,000,000
MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BONDS, SERIES 2006
(Madison County, Mississippi Highway Construction Project)
Dated: October 11, 2006

This **ESCROW DEPOSIT TRUST AGREEMENT** (this "Agreement") is made and entered into as of _____, 2013, by and among, the **MISSISSIPPI DEVELOPMENT BANK** (the "Bank" or the "Issuer"), a public corporation and instrumentality of the State of Mississippi (the "State"), exercising essential public functions, organized under the provisions of Sections 31-25-1 et seq., Mississippi Code of 1972, as from time to time amended (the "Act"), **MADISON COUNTY, MISSISSIPPI** (the "County"), and **HANCOCK BANK**, Jackson, Mississippi, as escrow agent hereunder (in such capacity, the "Escrow Agent"):

WITNESSETH:

WHEREAS, pursuant to a Loan Agreement dated October 11, 2006 (the "2006 Loan Agreement") between the Bank and the County, the County has heretofore issued its \$145,000,000 Promissory Note, Series 2006 (Madison County, Mississippi Highway Construction Project), dated October 11, 2006 ("2006 Note"), said 2006 Note being funded from the proceeds of the Bank's \$145,000,000 Special Obligation Bonds, Series 2006 (Madison County, Mississippi Highway Construction Project), dated October 11, 2006 (the "2006 Bank Bonds"), issued under that certain Indenture of Trust dated October 11, 2006 (the "2006 Indenture"), by and between the Bank and Hancock Bank, Jackson, Mississippi (in such capacity, the "2006 Trustee"); and

WHEREAS, the County has determined that it is in its best interest to prepay a portion of the outstanding 2006 Note equal to \$_____,000 (such portion being the "Refunded 2006 Note") to provide funds for the advance refunding of the outstanding maturities of the 2006 Bank Bonds maturing January 1, 201__ through January 1, 2027, both inclusive (the "Refunded 2006 Bank Bonds"), and the optional redemption of the Refunded 2006 Bank Bonds maturing in the years 201__ through 2026, both inclusive (the "Callable 2006 Bank Bonds"), on July 1, 2016 (the "Callable 2006 Bank Bonds Redemption Date") at par; and

WHEREAS, pursuant to the 2006 Indenture the liens, rights and interest granted by the 2006 Indenture as to the Refunded 2006 Bank Bonds shall cease, determine and become null and void upon the deposit in trust with the Escrow Agent of either moneys in an amount which shall be sufficient, or SLGS and/or U. S. Obligations (as such terms are hereinafter defined) (together the "Escrowed Securities"), the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Escrow Agent at the same time, will be sufficient to pay the interest due and principal to become due on the Refunded 2006 Bank Bonds on and prior to the Callable 2006 Bank Bonds Redemption Date, and to pay the principal due for the Callable 2006 Bank Bonds on or before the Callable 2006 Bank Bonds Redemption Date, at par; and

WHEREAS, the Bank and the County have determined that it is in the best interest of the Bank and the County to deposit in trust with the Escrow Agent the Escrowed Securities the principal of and the interest on which when due will provide moneys which, together with cash, if any, deposited with the Escrow Agent at the same time, will be sufficient to pay the interest due and principal to become due on the Refunded 2006 Bank Bonds on or before the Callable 2006 Bank Bonds Redemption Date, and to pay the principal due for the Callable 2006 Bank Bonds on or before the Callable 2006 Bank Bonds Redemption Date, at par; and

WHEREAS, in order to deposit such amount of moneys and Escrowed Securities in trust, pursuant to a Loan Agreement dated _____, 2013 (the “2013 Loan Agreement”) between the Bank and the County, the County has authorized and directed the issuance of its \$_____,000 Promissory Note, Series 2013C (Madison County, Mississippi Highway Refunding Project), dated _____, 2013 (“2013 Note”), said 2013 Note being funded from the proceeds of the Bank's \$_____,000 Special Obligation Refunding Bonds, Series 2013C (Madison County, Mississippi Highway Refunding Project), dated _____, 2013 (the “Series 2013C Bonds”) to be issued under that certain Indenture of Trust dated _____, 2013 (the “2013 Indenture”), by and between the Bank and Hancock Bank, Jackson, Mississippi (in such capacity, the “2013 Trustee”); and

WHEREAS, such moneys and Escrowed Securities are to be used to provide funds to finance the advanced refunding of the Refunded 2006 Bank Bonds and prepayment of the Refunded 2006 Note (together, the “Refunding Project”); and

WHEREAS, to provide funds for the Refunding Project, in the 2013 Indenture the 2013 Trustee is directed to transfer \$_____ of the proceeds of the Series 2013C Bonds from the Refunding Account of the General Fund under the 2013 Indenture to the Escrow Agent for deposit into the Escrow Fund created in this Agreement; and

WHEREAS, a portion of the proceeds derived from the Series 2013C Bonds, in addition to other available funds received by the Escrow Agent, will be applied to the purchase of certain Escrowed Securities, which principal amount of Escrowed Securities will mature and produce investment income and earnings at such times and in such amounts together with certain amounts held in cash as will be sufficient to pay when due all of the principal of, redemption premium, if any, and interest on the Refunded 2006 Bank Bonds including the redemption price of the Callable 2006 Bank Bonds; and

WHEREAS, in order to provide for the proper and timely application of the moneys deposited in said trust, the maturing principal amount of the Escrowed Securities purchased or transferred thereby and investment income and earnings derived therefrom to the payment of the Refunded 2006 Bank Bonds, it is necessary to enter into this Agreement with the Escrow Agent on behalf of the holders from time to time of the Refunded 2006 Bank Bonds.

NOW, THEREFORE, the County and the Bank by approving this Agreement, in consideration of the foregoing and the mutual covenants herein set forth and in order to secure the payment of the principal of, redemption premium, if any, and interest on all of the Refunded 2006 Bank Bonds and the Refunded 2006 Note according to their respective tenor and effect, does by these presents hereby grant, warrant, demise, release, convey, assign, transfer, alienate, pledge, set over and confirm, unto the Escrow Agent, and its successors in the trusts hereby created, and to it and its assigns forever, all and singular, the property hereinafter described, to wit:

DIVISION I

All right, title and interest in and to any funds deposited herewith derived from a portion of the proceeds of the Series 2013C Bonds.

DIVISION II

All right, title and interest in and to all income, earnings and increment derived from or accruing to the Escrowed Securities purchased from a portion of the money described in DIVISION I hereof and more particularly described in **SCHEDULE A**, attached hereto and made a part hereof.

DIVISION III

Any and all other property which is by the express provisions of this Agreement required to be subject to the pledge hereof and any additional property of every kind and nature, from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as and for additional security hereunder, by the County, the Bank or by anyone on their respective behalf, and the Escrow Agent is hereby authorized to receive the same at any time as additional security hereunder.

TO HAVE AND TO HOLD, all and singular, the trust estate, including all additional property which by the terms hereof has or may become subject to the encumbrances of this Agreement, unto the Escrow Agent, and its successors and assigns, forever in trust, however, for the benefit and security of the holders from time to time of the Refunded 2006 Bank Bonds; but if the Refunded 2006 Bank Bonds shall be fully and promptly paid when due, in accordance with the terms thereof and hereof, then this Agreement shall be and become void and of no further force and effect, otherwise the same shall remain in full force and effect, and upon the trusts and subject to the covenants and conditions hereinafter set forth.

ARTICLE I

DEFINITIONS

SECTION 1.01 DEFINITIONS. In addition to words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement shall have the following meanings, unless some other meaning is plainly intended.

“Agreement” shall mean this Escrow Deposit Trust Agreement, dated as of _____, 2013, by and among the Bank, the County and the Escrow Agent.

“Authorized Newspaper” shall mean both a newspaper or financial journal of general circulation in New York, New York, printed in the English language, being customarily published on each business day whether or not published on Saturdays, Sundays or holidays, such as *The Bond Buyer*.

“Escrowed Securities” shall mean together the SLGS and U. S. Obligations, if any.

“SLGS” shall mean United States Treasury Securities - State and Local Government Series.

“Trust Estate”, “trust estate” or “pledged property” shall mean the property, rights and interest of the Bank and the County which are subject to the lien of this Agreement.

“2006 Paying Agent” shall mean the paying agent under the 2006 Indenture for the Refunded 2006 Bank Bonds, which at the date of this Agreement is Hancock Bank, Jackson, Mississippi.

“U. S. Obligations” shall mean the direct obligations of the United States of America Treasury or such other federal securities as may be permitted under regulations issued pursuant to Section 149(b) of the Internal Revenue Code of 1986, as amended, which shall be Government Obligations under the 2006 Indenture.

“Written Request” (a) with respect to the County shall mean a request in writing signed by either (i) the President of the Board of Supervisors of the County, or by any other officer of the County duly authorized and satisfactory to the Escrow Agent, (ii) the Executive Director or any Deputy Director of the Mississippi Department of Transportation (“MDOT”), or (iii) any member of the Mississippi Transportation Commission (“MTC”), and (b) with respect to the Bank shall mean a request in writing signed by the Executive Director or Secretary of the Bank or by any other officer of the Bank authorized and satisfactory to the Escrow Agent.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. The word “person” shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

ARTICLE II

ESTABLISHMENT OF FUNDS; FLOW OF FUNDS

SECTION 2.01 CREATION OF ESCROW DEPOSIT TRUST FUND. There is hereby created and established with the Escrow Agent for the Refunded 2006 Bank Bonds a special and irrevocable trust fund designated the 2006 Escrow Deposit Trust Fund (the “Escrow Deposit Trust Fund”), to be held in the custody of the Escrow Agent separate and apart from other funds of the Bank, the County and the Escrow Agent. The Escrow Deposit Trust Fund shall be administered pursuant to this Agreement.

Concurrently with the delivery of the Series 2013C Bonds and the receipt of proceeds therefor, the Bank and the County have authorized and hereby authorize the 2013 Trustee to transfer to the Escrow Agent, and the Escrow Agent acknowledges receipt of, immediately available moneys in the amount of \$ _____ from proceeds of the Series 2013C Bonds (the “Escrow Requirement”), which Escrow Requirement is to be deposited to the Escrow Deposit Trust Fund. As set forth in the verification report (the “Verification Report”) of The Arbitrage Group, Inc. (the “Verification Agent”), delivered on _____, 2013, by the Bank and the County to the Escrow Agent, the amount of the Escrow Requirement will be sufficient to purchase the Escrowed Securities, which will mature in principal amounts and earn income and

earnings at such times, all as described in **SCHEDULE A**, so that sufficient moneys will be available to pay (i) the interest due and principal payable on the Refunded 2006 Bank Bonds each January 1 and July 1, commencing July 1, 2013 through and including July 1, 2016, and (ii) to pay the principal outstanding of the Callable 2006 Bank Bonds on the Callable 2006 Bank Bonds Redemption Date at par.

The Verification Agent has verified that the deposit in escrow of the Escrow Requirement will produce sufficient funds to pay interest due and principal payable on the Refunded 2006 Bank Bonds until July 1, 2016, and to redeem on said date all of the Callable 2006 Bank Bonds maturing thereafter, all of which have been called for redemption on said date, at par.

SECTION 2.02 IRREVOCABLE TRUST CREATED. The deposit of moneys for the Escrow Requirement and Escrowed Securities in the Escrow Deposit Trust Fund shall constitute an irrevocable deposit of such moneys and Escrowed Securities for the benefit of the holders of the Refunded 2006 Bank Bonds, except as provided herein with respect to amendments permitted under Section 4.01 hereof. The holders of the Refunded 2006 Bank Bonds shall have an express lien on all moneys and principal of and earnings on the Escrowed Securities deposited in the Escrow Deposit Trust Fund until applied in accordance with this Agreement. The matured principal of the Escrowed Securities and the interest thereon shall be held in trust by the Escrow Agent, and shall be transferred in the necessary amounts as hereinafter set forth in Section 2.05 hereof to the 2006 Trustee for the Refunded 2006 Bank Bonds for the payment of interest and principal on the Refunded 2006 Bank Bonds as the same becomes due and payable and to the payment of the principal outstanding of the Callable 2006 Bank Bonds on the Callable 2006 Bank Bonds Redemption Date.

SECTION 2.03 PURCHASE OF ESCROWED SECURITIES. The Escrow Agent is hereby directed to purchase immediately the Escrowed Securities listed on **SCHEDULE A**. The Escrow Agent shall purchase the Escrowed Securities solely from the Escrow Requirement moneys deposited in the Escrow Deposit Trust Fund. The Escrow Agent shall apply the moneys deposited in the Escrow Deposit Trust Fund, and the Escrowed Securities purchased therewith, together with all income or earnings thereon, in accordance with the provisions hereof. The Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Escrowed Securities held hereunder or to sell, transfer or otherwise dispose of the Escrowed Securities acquired hereunder except as provided in this Agreement.

SECTION 2.04 SUBSTITUTION OF OBLIGATIONS. Notwithstanding any other provision of this Agreement, at the Written Request of the County, with the approval of the Bank, and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to sell, transfer, otherwise dispose of or request the redemption of the Escrowed Securities held hereunder and to substitute therefor Escrowed Securities; provided, however, the foregoing may be effected only if: (i) the substitution of the Escrowed Securities for the substituted Escrowed Securities occurs simultaneously; (ii) the amounts of and dates on which the anticipated transfers from the Escrow Deposit Trust Fund to the 2006 Trustee for the payment of principal of, redemption premium, if any, and interest on the Refunded 2006 Bank Bonds, will not be diminished or postponed thereby; (iii) the Escrow Agent shall receive from a nationally recognized independent certified public accountant firm a certification that, immediately after such substitution, the principal of and the interest on the Escrowed Securities

in the Escrow Deposit Trust Fund when due and paid will, together with any other moneys held for such purpose, be sufficient to pay the principal of, redemption premium, if any, and interest on the Refunded 2006 Bank Bonds, when due, in accordance with this Agreement; and (iv) the Escrow Agent shall receive an opinion from Butler, Snow, O'Mara, Stevens & Cannada, PLLC, or from any other nationally recognized attorneys on the subject of municipal bonds, to the effect that the disposition and substitution or purchase of such Escrowed Securities will not, under the statutes, rules, regulations and court decisions then in force and applicable to the Refunded 2006 Bank Bonds, impair the federal tax-exempt status of the interest on the 2006 Bank Bonds and that such disposition and substitution or purchase is not inconsistent with the statutes and regulations applicable to the 2006 Bank Bonds and compliance with the terms of the 2006 Indenture, and that the conditions of this Section 2.04 have been satisfied. Any surplus moneys resulting from the sale, transfer, other disposition or redemption of the Escrowed Securities held hereunder and the substitutions therefor of Escrowed Securities, shall be released from the Trust Estate and shall be transferred to the 2013 Trustee for deposit in the General Account of the General Fund under the 2013 Indenture for the Series 2013C Bonds, and used for the purposes described therein.

The County and the Bank each hereby covenants and agrees that it will not request the Escrow Agent to exercise any of the powers described in the preceding paragraph in any manner which will cause the 2006 Bank Bonds be arbitrage bonds within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder in effect on the date of such request and applicable to obligations issued on the issue date of the 2006 Bank Bonds. The Escrow Agent shall purchase such substituted securities with the proceeds derived from the maturity, sale, transfer, disposition or redemption of the Escrowed Securities held hereunder or from other moneys available.

SECTION 2.05 TRANSFERS FROM ESCROW DEPOSIT TRUST FUND. As the principal of the Escrowed Securities set forth in **SCHEDULE A** (subject to the reinvestment, if any, of the principal and interest made pursuant to Section 2.06 and the application of investment earnings in accordance with Section 2.06), shall mature and be paid, and the investment income and earnings thereon are paid, the Escrow Agent shall, no later than each interest payment date for the Refunded 2006 Bank Bonds, transfer from the Escrow Deposit Trust Fund to the 2006 Trustee for the Refunded 2006 Bank Bonds amounts sufficient to pay the interest and principal on the Refunded 2006 Bank Bonds coming due on each interest payment date and to pay the principal outstanding of the Callable 2006 Bank Bonds on the Callable 2006 Bank Bonds Redemption Date, all as set forth in **SCHEDULE B** hereto. Such amounts are to be applied by the 2006 Trustee to the payment of all principal of, redemption premium, if any, and interest on the Refunded 2006 Bank Bonds for the equal and ratable benefit of the holders of the Refunded 2006 Bank Bonds. Currently, principal, redemption premium, if any, and interest on the Refunded 2006 Bank Bonds are payable at the principal office of the 2006 Paying Agent in Jackson, Mississippi.

SECTION 2.06 INVESTMENT OF CERTAIN MONEYS REMAINING IN TRUST FUNDS. Any moneys remaining from time to time in the Escrow Deposit Trust Fund until such time that they are needed may be invested and reinvested in Escrowed Securities maturing no later than the next interest payment date or Callable 2006 Bank Bonds Redemption Date of the Refunded 2006 Bank Bonds, or such periods or at such interest rates that the Escrow

Agent shall be directed to invest by a Written Request of the County, as approved by the Bank, which must be accompanied by an opinion of Butler, Snow, O'Mara, Stevens & Cannada, PLLC, or any other nationally recognized bond counsel, which opinion shall also be to the effect that such reinvestment of such moneys and the interest rate on such moneys will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Series 2013C Bonds or the Refunded 2006 Bank Bonds, cause the interest on the 2006 Bank Bonds to be subject to federal income taxation. In addition, the Escrow Agent shall receive from a nationally recognized independent certified public accounting firm a certification that, immediately after such transaction, the principal of and the interest on the Escrowed Securities in the Escrow Deposit Trust Fund when due and paid will, together with any other moneys held for such purpose, be sufficient to pay the principal of, redemption premium, if any, and interest on the Refunded 2006 Bank Bonds, when due. To the extent amounts are not reinvested in accordance with the provisions of this Section 2.06, such amounts shall be held uninvested as provided in the Verification Report.

SECTION 2.07 FUNDS AND ACCOUNTS CONSTITUTE TRUST FUNDS. All the funds and accounts created and established pursuant to this Agreement shall be and constitute trust funds for the purposes provided in this Agreement and shall be kept separate and distinct from all other funds of the Bank, the County and the Escrow Agent and used only for the purposes and in the manner provided in this Agreement.

SECTION 2.08 TRANSFER OF FUNDS AFTER ALL PAYMENTS REQUIRED BY THIS AGREEMENT ARE MADE. After all of the transfers by the Escrow Agent to the 2006 Trustee for payment of the principal of, redemption premium, if any, and interest on the Refunded 2006 Bank Bonds have been made, all remaining moneys and Escrowed Securities, together with any income and interest thereon, in the Escrow Deposit Trust Fund shall be transferred by the Escrow Agent to the 2013 Trustee for deposit in the General Account of the General Fund under the 2013 Indenture and used for the purposes described therein; provided, however, that no such transfer shall be made until all of the principal of, redemption premium, if any, and interest on the outstanding Refunded 2006 Bank Bonds have been paid in full.

SECTION 2.09 DEFEASANCE NOTICE, REDEMPTION NOTICE AND ADDITIONAL NOTICES. The Bank, the County and MTC hereby direct the Escrow Agent, and the Escrow Agent hereby agrees, to cause to be prepared and published in the form thereof as attached hereto as **SCHEDULE C**, within 30 days after the Escrowed Securities are deposited with it, and at the expense of MDOT (subject to Section 3.10 hereof) a notice to the holders of the Refunded 2006 Bank Bonds setting forth that the irrevocable deposit of moneys and investment thereof has been made in accordance with Article IX of the 2006 Indenture, and respectively, (i) that all the Callable 2006 Bank Bonds maturing after July 1, 2016 will be redeemed on July 1, 2016 at a redemption price of par, (ii) a description of the Escrowed Securities so held by it, and (c) that the lien of the 2006 Indenture on the Refunded 2006 Bank Bonds has been released in accordance with the provisions of the 2006 Indenture.

The Bank, the County and MTC hereby direct the Escrow Agent, and the Escrow Agent hereby agrees, (a) to redeem in accordance with the 2006 Indenture all of the Callable 2006 Bank Bonds outstanding under the 2006 Indenture as of July 1, 2016; and (b) to cause to be prepared and published or mailed, as the case may be, in connection with the redemption of the Refunded

2006 Bank Bonds under the 2006 Indenture, all notices required under Article IV of the 2006 Indenture or required or recommended, from time to time, by the Securities and Exchange Commission (in accordance with the standards endorsed by the Securities and Exchange Commission in Release 34-2385, issued December 3, 1986) and by the Municipal Securities Rulemaking Board, to the extent applicable.

ARTICLE III

CONCERNING THE ESCROW AGENT

SECTION 3.01 APPOINTMENT OF THE ESCROW AGENT. The County and the Bank hereby appoint Hancock Bank, Jackson, Mississippi, as the Escrow Agent under this Agreement.

SECTION 3.02 ACCEPTANCE BY ESCROW AGENT. By execution of this Agreement, the Escrow Agent accepts the duties and obligations as Escrow Agent hereunder. The Escrow Agent further represents that it has all requisite power, and has taken all corporate actions necessary to execute the trust hereby created.

SECTION 3.03 LIABILITY OF ESCROW AGENT. The Escrow Agent shall not be liable in connection with the performance of its duties hereunder except for its own negligent action, its own negligent failure to act or its own willful misconduct, except as may be provided to the contrary in the 2006 Indenture.

The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to the terms and provisions of this Agreement. The Escrow Agent shall have no lien, security interest or right of set-off whatsoever upon any of the moneys or investment in the Escrow Deposit Trust Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to the terms and provisions of this Agreement. The Escrow Agent shall have no lien, security interest or right of set-off whatsoever upon any of the moneys or investments in the Escrow Deposit Trust Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of moneys and of the principal amount of the Escrowed Securities and the earnings thereon to pay the Refunded 2006 Bank Bonds. So long as the Escrow Agent applies any moneys, the Escrowed Securities and the interest earnings therefrom to pay the Refunded 2006 Bank Bonds as provided herein, and complies fully with the terms of this Agreement, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded 2006 Bank Bonds caused by such calculations.

In the event of the Escrow Agent's failure to account for any of the Escrowed Securities or moneys received by it, such Escrowed Securities or moneys shall be and remain the property of the County and the Bank in trust for the holders of the Refunded 2006 Bank Bonds as herein provided.

SECTION 3.04 PERMITTED ACTS. The Escrow Agent and its officers and directors may acquire and hold, or become the owner or pledge of or may deal in the Refunded 2006 Bank Bonds and the Series 2013C Bonds as fully and with the same rights as if it were not the Escrow Agent.

SECTION 3.05 RESIGNATION OF ESCROW AGENT. The Escrow Agent or any successor escrow agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations of the trust hereby created by giving 60 days' written notice to the County and the Bank, and by giving to the registered holders of the Refunded 2006 Bank Bonds notice of such resignation by first class mail. Upon receiving such notice of resignation, the County and the Bank shall promptly appoint a successor escrow agent by an instrument in writing.

SECTION 3.06 REMOVAL OF ESCROW AGENT. Upon the Written Request of the County, with the approval of the Bank, the Escrow Agent may be removed at any time if (i) the Escrow Agent shall cease to be eligible in accordance with the provisions set forth herein and shall fail to resign after Written Request therefor from the County or from any registered holder of the Refunded 2006 Bank Bonds who has been a bona fide holder of a refunded bond for at least six (6) months, or (ii) the Escrow Agent shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Escrow Agent or of its property shall be appointed, or any public officer shall take charge or control of the Escrow Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation.

The Escrow Agent may also be removed by the registered holders of the Refunded 2006 Bank Bonds of a majority in aggregate principal amount of each the Refunded 2006 Bank Bonds at the time outstanding by an instrument or concurrent instruments in writing signed by such registered holders of the Refunded 2006 Bank Bonds.

Any removal of the Escrow Agent and appointment of a successor escrow agent in accordance with the provisions set forth herein shall become effective upon acceptance of appointment by the successor escrow agent as provided herein.

SECTION 3.07 APPOINTMENT OF SUCCESSOR ESCROW AGENT. If no successor escrow agent shall have been appointed and shall have accepted such appointment within thirty (30) days after such notice of resignation, the resigning escrow agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent, or any registered holder of the Refunded 2006 Bank Bonds who has been a bona fide holder for at least six (6) months may, on behalf of himself and others similarly situated, petition any such court for the appointment of a successor escrow agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribed, appoint a successor escrow agent. Any resignation by the Escrow Agent and appointment of a successor escrow agent in accordance with the provisions set forth herein shall become effective upon acceptance of appointment by the successor escrow agent in accordance with the provisions set forth herein.

Any successor escrow agent appointed under the provisions of this Agreement shall be a corporation organized and doing business under the laws of the United States or any state authorized under such laws to exercise corporate trust powers, having its principal office and

place of business in any state, having a combined capital and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such corporation published reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Escrow Agent shall cease to be eligible in accordance herewith, the Escrow Agent shall resign immediately in the manner and with the effect specified in Section 3.05 hereof.

SECTION 3.08 VESTING OF TRUSTS IN SUCCESSOR ESCROW AGENT. Any successor escrow agent appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the County and the Bank, an instrument in writing accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor escrow agent shall become effective; and such successor escrow agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusts hereunder, with like effect as if originally named as escrow agent herein; but, nevertheless, on the Written Request of the County, as approved by the Bank, or the request of the successor escrow agent, the Escrow Agent ceasing to act. Upon request of any such successor escrow agent, the County and the Bank shall execute any and all instruments in writing for more fully and certainly vesting in and conforming to such successor escrow agent all such rights, powers and duties.

Any corporation into which the Escrow Agent may be merged or with which it may consolidate or any corporation resulting from any merger or consolidation to which the Escrow Agent shall be a party, or any corporation succeeding to the business of the Escrow Agent, shall be the successor to the Escrow Agent hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding, provided that such successor escrow agent shall be eligible under the provisions thereof.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Agreement and otherwise qualified to act as Escrow Agent hereunder with or into which the bank or trust company acting as Escrow Agent may be merged or consolidated, or to which the assets and business of such bank or trust company may be sold, shall be deemed the successor of the Escrow Agent.

SECTION 3.09 RECEIPT OF PROCEEDINGS. Possession of or receipt of true and correct copies of the 2006 Indenture and the proceedings authorizing the issuance of the 2006 Bank Bonds are hereby acknowledged by the Escrow Agent, and reference herein to or citation herein of any provision of such documents shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as it they were fully set forth herein.

SECTION 3.10 ARRANGEMENTS FOR PAYMENT OF ALL OTHER SUMS PAYABLE UNDER THE 2006 INDENTURE. The Escrow Agent hereby acknowledges that the County and Bank have paid, caused to be paid or made arrangements satisfactory to the Escrow Agent for payment of all other sums (in addition to debt service on the Refunded 2006

Bank Bonds) payable under the 2006 Indenture until the Refunded 2006 Bank Bonds are paid as provided in Section 2.01 hereof. If such arrangements for fees and expenses shall include a prepayment of all or part thereof and if the Escrow Agent resigns or is removed in accordance with Section 3.05 and 3.06 hereof, the Escrow Agent agrees to return to the entity which initially paid any such fees that portion of the prepaid fee which is attributable to that part of the trust which is then still to be administered.

ARTICLE IV

MISCELLANEOUS

SECTION 4.01 AMENDMENTS TO THIS AGREEMENT. This Agreement is made for the benefit of the County, the Bank, and the holders from time to time of the Refunded 2006 Bank Bonds and it shall not be repealed, revoked, altered or amended without the written consent of the holders of 100% of the Refunded 2006 Bank Bonds which have not then been paid in accordance with this Agreement. Notwithstanding the foregoing, however, the County and the Bank may, and the County and the Bank shall (upon receipt of an opinion of nationally recognized bond counsel satisfactory to the County and the Bank that the tax-exempt status of the interest on the 2006 Bank Bonds under federal and State of Mississippi law will not be adversely affected), without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Agreement;
- (b) To grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded 2006 Bank Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; or
- (c) To subject to the lien of this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded 2006 Bank Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

All amendments to this Agreement require notice in writing to any rating agency then maintaining a rating on the 2006 Bank Bonds.

SECTION 4.02 SEVERABILITY. If any one or more of the covenants or agreements provided in this Agreement on the part of the Bank, the County or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining

covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 4.03 AGREEMENT BINDING. All the covenants, promises and agreements in this Agreement contained by or on behalf of the Bank, the County, or the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 4.04 TERMINATION. This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made.

SECTION 4.05 GOVERNING LAW. This Agreement shall be governed by the applicable law of the State of Mississippi.

SECTION 4.06 EXECUTION BY COUNTERPARTS. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[remainder of page left blank intentionally]

IN WITNESS WHEREOF, each of the parties hereto has caused this Escrow Deposit Trust Agreement to be executed by its duly authorized officers or officials.

[SEAL]

MISSISSIPPI DEVELOPMENT BANK

BY: _____
Executive Director

ATTEST:

BY: _____
Secretary

MADISON COUNTY, MISSISSIPPI

[SEAL]

BY: _____
President, Board of Supervisors

ATTEST:

BY: _____
Clerk, Board of Supervisors

Signature Page to Escrow Deposit Trust Agreement dated as of _____, 2013, by and among the Mississippi Development Bank, Madison County, Mississippi and Hancock Bank, Jackson, Mississippi, as Escrow Agent.

HANCOCK BANK
Jackson, Mississippi
as Escrow Agent

BY: _____
Susan Tsimortos, Senior Vice President
and Trust Officer

Approved and Agreed to by:

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

By: _____
Melinda L. McGrath, P.E., Executive Director,
Mississippi Department of Transportation

HANCOCK BANK, as 2006 Trustee and 2006 Paying Agent

By: _____

HANCOCK BANK, as 2013 Trustee

By: _____

Signature Page to Escrow Deposit Trust Agreement dated as of _____, 2013, by and among the Mississippi Development Bank, Madison County, Mississippi and Hancock Bank, Jackson, Mississippi, as Escrow Agent.

SCHEDULE A

ESCROW DEPOSIT TRUST FUND INVESTMENTS

SCHEDULE B
DEBT SERVICE
REQUIREMENTS FOR THE REFUNDED 2006 BANK BONDS

SCHEDULE C
NOTICE OF DEFEASANCE

NOTICE OF DEFEASANCE

\$145,000,000

**MISSISSIPPI DEVELOPMENT BANK
SPECIAL OBLIGATION BONDS, SERIES 2006
(Madison County, Mississippi Highway Construction Project)
Dated: October 11, 2006**

Maturing January 1, 201__ through and including January 1, 2027

CUSIP NUMBERS:

**60534____ 60534____ 60534____
60534____ 60534____ 60534____
60534____ 60534____ 60534____
60534____**

Notice is hereby given to the holders of the above-captioned obligations (hereinafter referred to as the "Refunded 2006 Bank Bonds") that there has been deposited in an irrevocable escrow account held by Hancock Bank, Jackson, Mississippi, as Escrow Agent, \$ _____ which will provide moneys which shall be sufficient to pay principal of, premium, if any, and interest on the Refunded 2006 Bank Bonds on and prior to their redemption or maturity dates thereof, as described below.

Moneys will be available for the payment of interest on the Refunded 2006 Bank Bonds due on January 1 and July 1, commencing July 1, 2013, to and including July 1, 2016. All of the Refunded 2006 Bank Bonds maturing after July 1, 2016 will be called for redemption on July 1, 2016 at a price of par. The Refunded 2006 Bank Bonds are deemed to have been paid in accordance with Article IX of that certain Indenture of Trust dated October 11, 2006 (the "2006 Indenture"), by and between the Mississippi Development Bank and Hancock Bank, Jackson, Mississippi, as trustee. Accordingly, the right, title and interest of the holders of the Refunded 2006 Bank Bonds in the 2006 Indenture and other moneys as provided in the 2006 Indenture, have ceased, determined and become null and void.

The holders of the Refunded 2006 Bank Bonds are entitled for payment (from the paying agent for the Refunded 2006 Bank Bonds) solely out of the moneys or securities so deposited in such escrow account.

Dated this _____ day of _____, 2013.

MISSISSIPPI DEVELOPMENT BANK

By: _____
Hancock Bank, as Escrow Agent