

The Mayor and Board of Aldermen of the City of Oxford, Mississippi (the "City"), acting for and on behalf of the City, took up for consideration the matter of issuing a Negotiable Note, Series 2014, of said City. After a discussion of the subject, Alderperson _____ offered and moved the adoption of the following resolution:

RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF OXFORD, MISSISSIPPI (THE "CITY"), TO ISSUE A NEGOTIABLE NOTE, SERIES 2014, IN THE MAXIMUM PRINCIPAL AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000) (THE "NOTE"); AND DIRECTING PUBLICATION OF NOTICE OF NOTE SALE - \$500,000.

WHEREAS, the Mayor and Board of Aldermen of the City of Oxford, Mississippi (the "Governing Body" of the "City"), acting for and on behalf of the City, hereby finds, determines, adjudicates and declares as follows:

1. On October 1, 2013, the Governing Body of the City adopted a resolution entitled **“RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF OXFORD, MISSISSIPPI, APPROVING AND AUTHORIZING THE SIGNING OF THE REGIONAL ECONOMIC DEVELOPMENT ACT AGREEMENT (OXFORD COMMONS BOULEVARD EXTENSION FRONTAGE ROAD PROJECT)”** wherein the Governing Body found, determined and adjudicated that it was necessary and in the public interest for the City to enter into an agreement with Lafayette County, Mississippi (the “County”), entitled "Regional Economic Development Act Agreement (Oxford Commons Boulevard Extension Frontage Road Project)" (the “REDA Agreement”) to issue bonds and/or a note for the purposes set forth in the REDA Agreement, including the construction and related improvements to Oxford Commons Boulevard Extension and other related improvements, including but not limited to the construction of a roadway consisting of at least two ten foot (10’) asphalt lanes, curbs and gutters, erosions control, sidewalks, crushed limestone road base, water main, sewer main, storm drain, underground electric facilities, potential relocation of existing utilities construction of drainage improvements, asphalt overlay, installation of traffic signalization and signage, lighting, and other on-site work, landscaping of rights-of-way, irrigation, acquisition of rights-of-way, related engineering, technical and design fees, attorney's fees, preparation fees, capitalized interest, other related soft costs (the “REDA Project”).

2. On January 9, 2014, the Mississippi Development Authority issued a Certificate of Public Convenience and Necessity No. RA-016 for the City and the County (the “Certificate”), attached hereto as **EXHIBIT A**, in connection with the REDA Agreement and the REDA Project authorizing (a) the City and the County to create a Regional Economic Development Alliance for the purpose of providing financing of the REDA Project, and (b) the City, acting for and on behalf of the County, to issue bonds or a note of the City, in one or more series, in the maximum principal amount of Five Hundred Thousand Dollars (\$500,000) for a term of not to exceed 15 years in order to provide financing for the REDA Project pursuant to the Regional Economic Development Act, Sections 57-64-1 through 57-64-27, Mississippi Code of 1972, as amended (the “REDA Act”).

3. On March 13, 2014, the Attorney General of the State of Mississippi (the "State") examined and approved the REDA Agreement pursuant to the REDA Act and found that it was in proper form and compatible with state law, as more particularly described in **EXHIBIT B**.

4. The Governing Body of the City hereby directs the City Clerk to file the REDA Agreement with the Chancery Clerk of the County and the Mississippi Secretary of State.

5. The City is now authorized by Sections 17-21-51 et seq., Mississippi Code of 1972, as amended (the "Act") and the REDA Act, to issue a note hereinafter proposed to be issued for the purposes and the amounts set forth in paragraph 6 of this preamble.

6. It is necessary and in the public interest to issue a Negotiable Note, Series 2014 of the City in the principal amount of not to exceed Five Hundred Thousand Dollars (\$500,000) (the "Note"), to raise money for the purpose of providing funds for constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; protecting a municipality, its streets and sidewalks from overflow, caving banks and other like dangers; including the REDA Project and paying for the costs of issuance of the Note (together, the "Project").

7. The Note will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the City.

8. The Governing Body desires to authorize the receipt of bids by the City Clerk of the City, in her office in the City Hall of the City until the hour of 4:00 o'clock p.m. on April 15, 2014 for subsequent presentation to the Governing Body of the City at 5:00 o'clock p.m. on April 15, 2014 for the sale of the Note.

9. The City reasonably expects that it will incur expenditures prior to the issuance of the Note, which it intends to reimburse with the proceeds of the Note upon the issuance thereof. This declaration of official intent to reimburse expenditures made prior to the issuance of the Note in anticipation of the issuance of the Note is made pursuant to Department of Treasury Regulations Section 1.150-2 (the reimbursement regulations). The Project for which such expenditures are made is the same as described hereinabove. The maximum principal amount of debt expected to be issued for the Project is the amount hereinabove set forth.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. The Governing Body hereby declares its intention to issue a Negotiable Note, Series 2014, of the City in the principal amount not to exceed Five Hundred Thousand Dollars (\$500,000) pursuant to the Act and the REDA Act to raise money for the purpose of providing funds for the Project. The Note will be a general obligation of the City payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to time, rate or amount upon all the taxable property within the geographical limits of the City; provided, however, that such tax levy for any year shall be abated pro tanto to the extent the City on or prior to September 1 of that year has transferred money to the note fund of the Note, or has made other provisions for the

funds, to be applied toward the payment of the principal and interest on the Note due during the ensuing fiscal year of the City, in accordance with the Note Resolution.

SECTION 2. (a) The assessed value of taxable property within the City, according to the last completed assessment for taxation, is Two Hundred Ninety Three Million Four Hundred Fifty Three Thousand Eight Hundred Twenty-Five Dollars (\$293,453,825); the City has outstanding bonded indebtedness subject to the fifteen percent (15%) debt limit prescribed by Section 21-33-303, Mississippi Code of 1972, as amended, in the amount of Twenty Four Million Eight Hundred Eleven Thousand Dollars (\$24,811,000), and outstanding bonded and floating indebtedness subject to the twenty percent (20%) debt limit prescribed by Section 21-33-303, Mississippi Code of 1972, as amended (which amount includes the sum set forth above subject to the 15% debt limit), in the amount of Twenty Four Million Eight Hundred Eleven Thousand Dollars (\$24,811,000); the issuance of the Note, when added to the outstanding bonded indebtedness of the City, will not result in bonded indebtedness, exclusive of indebtedness not subject to the aforesaid fifteen percent (15%) debt limit, of more than fifteen percent (15%) of the assessed value of taxable property within the City, and will not result in indebtedness, both bonded and floating, exclusive of indebtedness not subject to the aforesaid twenty percent (20%) debt limit, in excess of twenty percent (20%) of the assessed value of taxable property within the City, and will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the City, and together with any outstanding debt issued pursuant to the Act will not exceed one percent (1%) of the assessed valuation of the City.

(b) The City has outstanding indebtedness issued under the Act in the amount of Five Hundred Ten Thousand Dollars (\$510,000).

SECTION 3. The Governing Body hereby directs that sealed bids will be received and opened by the City Clerk of the City at her office in City Hall of the City of Oxford, Mississippi on or before 4:00 p.m. on April 15, 2014, for subsequent presentation to the Governing Body at its meeting place in the City Hall in the City of Oxford, Mississippi, at the hour of 5:00 o'clock p.m. on April 15, 2014 at which time said bids will be publically read and considered.

SECTION 4. (a) The terms and conditions for the Note and the form of the Note shall be those agreed upon between the City, acting for and on behalf of the City, and the party agreeing to purchase the Note and shall be in conformance with the requirements of the Act and this Note Resolution.

(b) The Note will be subject to redemption prior to its stated date of maturity, in whole, at any time, and in part on any interest payment date, at par, plus accrued interest to the date of redemption.

SECTION 5. As required by Section 17-21-53, Mississippi Code of 1972, as amended, the Clerk is hereby authorized and directed to give Notice by publishing an advertisement at least one (1) time in *The Oxford Eagle*, a newspaper published in and of general circulation in the City, the publication thereof to be made at least ten (10) days preceding the date fixed herein for the receipt of bids. The Notice shall be in substantially the following form:

**NOTICE OF NOTE SALE - \$500,000
BY THE CITY OF OXFORD, MISSISSIPPI**

Sealed proposals will be received and opened by the City Clerk of the City of Oxford, Mississippi (the "City"), in her office in the City Hall of the City of Oxford, Mississippi, until the hour of 4:00 o'clock p.m. on April 15, 2014 for subsequent presentation to the Mayor and Board of Aldermen (the "Governing Body") of the City, in its meeting place in the City Hall of the City at 5:00 p.m. on April 15, 2014, at which time said bids will be publicly read and considered, for the issuance of a \$500,000 Negotiable Note, Series 2014 (the "Note"), to mature as to principal and interest in five approximate equal installments due annually from the date of issuance thereof, commencing on the first anniversary of the date of the issuance of the Note. The terms and conditions for the Note and the form of the Note shall be those agreed upon between the City and the successful bidder for the Note and shall be in conformance with the Act and the Note Resolution, both as hereinafter defined; however, the rate of interest shall not exceed eleven percent (11%).

The Note will be subject to redemption prior to its stated date of maturity, in whole, at any time, and in part on any interest payment date, at par, plus accrued interest to the date of redemption.

The Note is authorized in accordance with Section 17-21-51 et seq., Mississippi Code of 1972, as amended, Section 57-64-1 et seq., Mississippi Code of 1972, as amended, and by a Note Resolution adopted by the Mayor and Board of Aldermen of the City on April 1, 2014 (the "Note Resolution") and is being issued for the purpose of providing funds for constructing, improving or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, and purchasing land therefor; establishing sanitary, storm, drainage or sewerage systems, and repairing, improving and extending the same; protecting a municipality, its streets and sidewalks from overflow, caving banks and other like dangers, including the construction and related improvements to Oxford Commons Boulevard Extension and other related improvements, including but not limited to the construction of a roadway consisting of at least two ten foot (10') asphalt lanes, curbs and gutters, erosions control, sidewalks, crushed limestone road base, water main, sewer main, storm drain, underground electric facilities, potential relocation of existing utilities construction of drainage improvements, asphalt overlay, installation of traffic signalization and signage, lighting, and other on-site work, landscaping of rights-of-way, irrigation, acquisition of rights-of-way, related engineering, technical and design fees, attorney's fees, preparation fees, capitalized interest, other related soft costs (together, the "Project").

The Note will be a general obligation of the City payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to time, rate or amount upon all the taxable property within the geographical limits of the City; provided, however, that such tax levy for any year shall be abated pro tanto to the extent the City on or prior to September 1 of that year has transferred money to the Note fund of the Note, or has made other provisions for the funds, to be applied toward the payment of the principal and interest on the Note due during the ensuing fiscal year of the City, in accordance with the Note Resolution.

The interest on the Note is excludable from Federal gross income taxes under existing laws, regulations, rulings and judicial decisions with such exceptions as shall be required by the Internal Revenue Code of 1986, as amended. Under existing law, interest on the Note is exempt from present taxes imposed by the State of Mississippi.

The City has designated the Note as “qualified tax-exempt obligations” within the meaning and for the purposes of Section 265(b)(3) of the Code.

Proposals should be addressed to the Mayor and Board of Aldermen of the City of Oxford, Mississippi, Lisa Carwyle, City Clerk of the City of Oxford, Mississippi, at her address of City Hall, 107 Courthouse Square, Oxford, Mississippi 38655, and should be plainly marked "Proposals for Negotiable Note, Series 2014", and should be filed with Lisa Carwyle, the said City Clerk of the City of Oxford, Mississippi, at her address of City Hall, 107 Courthouse Square, Oxford, Mississippi 38655, on or prior to the date hereinabove fixed and set.

Each bid must be accompanied by a cashier’s check, certified check, or exchange, issued or certified by a bank located in the State of Mississippi, payable to the City of Oxford, Mississippi, in the amount of Ten Thousand Dollars (\$10,000) as a guaranty that the bidder will carry out its contract and purchase the Note if its bid be accepted.

Information with respect to the indebtedness may be obtained from the Office of the City Clerk of the City of Oxford, Mississippi at the City Hall, 107 Courthouse Square, Oxford, Mississippi 38655.

AN OFFERING DOCUMENT WILL NOT BE PREPARED IN CONNECTION WITH THE SALE AND ISSUANCE OF THE NOTE.

The principal amount of the Note is being issued in denomination of \$100,000 or more and is being sold to a single purchaser who will have knowledge and experience in financial and business matters making it capable of evaluating the merits and risks of the prospective investment. The Note shall be sold to a purchaser without a view for distributing said Note. The purchaser of said Note shall be required to execute a certification at closing to the effect that the Note is being purchased for the account of the purchaser without the intent to distribute. Based on the foregoing, the Note will be exempt from the continuing disclosure requirements of SEC Rule 15c2-12.

Published by order of the Mayor and Board of Aldermen of the City of Oxford, Mississippi, on this the 1st day of April, 2014.

/s/ Lisa Carwyle
LISA CARWYLE, CITY CLERK
CITY OF OXFORD, MISSISSIPPI

PUBLISH: April 4, 2014

SECTION 6. The City hereby covenants that it will not make any use of the proceeds of the Note or do or suffer any other action that would cause: (i) the Note to be "arbitrage bonds" as such term is defined in Section 148(a) of the Internal Revenue Code of 1986, as amended ("Code"), and the Regulations promulgated thereunder; (ii) the interest on the Note to be included in the gross income of the Registered Owners thereof for federal income taxation purposes; or (iii) the interest on the Note to be treated as an item of tax preference under Section 57(a)(5) of the Code.

SECTION 7. The City represents as follows:

(a) The City shall timely file with the Ogden, Utah Service Center of the Internal Revenue Service, such information report or reports as may be required by Section 148(f) and 149(e) of the Code;

(b) The City shall take no action that would cause the Note to be "federally guaranteed" within the meaning of Section 149(b) of the Code;

(c) The City shall take all necessary action to have the Note registered within the meaning of Section 149(a) of the Code; and

(d) The City will not employ any device or abusive transaction with respect to the investment of the proceeds of the Note.

SECTION 8. In accordance with Section 148(f)(4)(D) (the "Smaller Issuer Exception" requirements) of the Code, the City represents that: (i) it is a governmental unit of the State of Mississippi and is empowered to exercise general taxing powers; (ii) the Note is not "private activity bonds" as defined in Section 141 of the Code; (iii) ninety-five percent (95%) or more of the net proceeds of the Note are to be used for local governmental activities of the City; and (iv) the aggregate face amount of the tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code and certain current refunding bonds described in Section 148(f)(4)(D) of the Code) issued by the City during calendar year 2014 is not expected to exceed \$5,000,000.

SECTION 9. In the event that the aggregate principal amount of the tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code and certain current refunding bonds described in Section 148(f)(4)(D) of the Code) issued by the City, or on behalf of the City, during calendar year 2014 exceeds \$5,000,000, or if the City otherwise fails to meet the Small Issuer Exception, the City hereby covenants that it shall make, or cause to be made, the rebate payments required by Section 148(f) of the Code in the manner described in Regulation of §§1.148-1 through 1.148-11, as such regulations and statutory provisions may be modified insofar as they apply to the Note.

SECTION 10. The City hereby designates the Note as "qualified tax-exempt obligations" as defined in and for the purposes of Section 265(b)(3) of the Code. For purposes of this designation, the City hereby represents that:

(a) the City reasonably anticipates that the amount of tax-exempt obligations to be issued by it during the period from January 1, 2014 to December 31, 2014 and the amount of

obligations designated as "qualified tax-exempt obligations" by it, will not exceed \$10,000,000 when added to the aggregate principal amount of the Note; and

(b) for purposes of this Section 10, the following obligations are not taken into account in determining the aggregate principal amount of tax-exempt obligations issued by the City: (i) a private activity bond as defined in Section 141 of the Code (other than a qualified 501(c)(3) bond, as defined in Section 145 of the Code); and (ii) any obligation issued to refund any other tax-exempt obligation (other than to advance refund within the meaning of Section 149(d)(5) of the Code) as provided in Section 265(b)(3)(c) of the Code.

SECTION 11. The interest on the Note is exempt from Federal income taxes under existing laws, regulations, rulings and judicial decisions with such exceptions as shall be required by the Internal Revenue Code of 1986, as amended. Under existing law, interest on the Note is exempt from present taxes imposed by the State of Mississippi.

SECTION 12. The principal amount of the Note is being issued in denomination of \$100,000 or more and is being sold to a single purchaser who will have knowledge and experience in financial and business matters making it capable of evaluating the merits and risks of the prospective investment. The Note shall be sold to a purchaser without a view for distributing said Note. The purchaser of said Note shall be required to execute a certification at closing to the effect that the Note is being purchased for the account of the purchaser without the intent to distribute. Based on the foregoing, the Note will be exempt from the continuing disclosure requirements of SEC Rule 15c2-12.

SECTION 13. The City reasonably expects that it will incur expenditures prior to the issuance of the Note, which it intends to reimburse with the proceeds of the Note upon the issuance thereof. This declaration of official intent to reimburse expenditures made prior to the issuance of the Note in anticipation of the issuance of the Note is made pursuant to Department of Treasury Regulations Section 1.150-2 (the reimbursement regulations). The Project for which such expenditures are made is the same as described hereinabove. The maximum principal amount of debt expected to be issued for the Project is the amount hereinabove set forth.

SECTION 14. Each of the following constitutes an event of default under this resolution:

(a) failure by the City to pay any installment of principal of or interest on the Note at the time required;

(b) failure by the City to perform or observe any other covenant, agreement or condition on its part contained in this resolution or in the Note, and the continuance thereof for a period of thirty (30) days after written notice thereof to the City by the registered owner of the outstanding Note; or

(c) an Act of Bankruptcy occurs.

An "Act of Bankruptcy" shall mean the filing of a petition in bankruptcy by or against the City under any applicable bankruptcy, insolvency, reorganization or similar law, now or hereafter in effect.

SECTION 15. The Mayor, the Clerk and the other officers of the City (the "Authorized Officers") are, and each of them acting alone is, hereby authorized and directed to take such actions and to execute such documents as may be necessary to effectuate the purposes of this resolution.

SECTION 16. If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

SECTION 17. The Governing Body of the City hereby directs the City Clerk to file the REDA Agreement with the Chancery Clerk of the County and the Mississippi Secretary of State.

Aldersperson _____ seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Aldersperson Jay Hughes	voted: ___
Aldersperson Robyn Tannehill	voted: ___
Aldersperson Janice Antonow	voted: ___
Aldersperson Ulysess "Coach" Howell	voted: ___
Aldersperson Preston E. Taylor	voted: ___
Aldersperson Jason Bailey	voted: ___
Aldersperson John Morgan	voted: ___

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and this resolution adopted this the 1st day of April, 2014.

MAYOR

ATTEST:

CITY CLERK

(SEAL)

EXHIBIT A
CERTIFICATE OF PUBLIC CONVENIENCE

EXHIBIT B
ATTORNEY GENERAL APPROVAL