

**Minutes of a Meeting of
the State Bond Commission
held November 8, 2017**

the State Bond Commission of the State and resolutions, all of which are on file in my office, and that all of the minutes for the meetings presented in this transcript have been properly signed as required by law.

4. None of the proceedings or resolutions of the State Bond Commission of the State in the matter of the Series 2017D Bonds have been amended, modified, vacated or rescinded in any manner, except as may be indicated and no appeal has been taken from any of the actions of the State Bond Commission of the State in connection with said matters.

5. There is no litigation now pending or threatened in any way involving the Series 2017D Bonds.

WITNESS MY SIGNATURE and the official seal of the State Bond Commission of the State, this 14th day of November, 2017.



MIKE LANFORD, Deputy Attorney
General of the State of Mississippi and
Acting Ex Officio Secretary of the
State Bond Commission of the State
of Mississippi

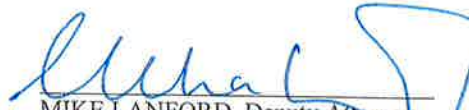
the State Bond Commission of the State and resolutions, all of which are on file in my office, and that all of the minutes for the meetings presented in this transcript have been properly signed as required by law.

4. None of the proceedings or resolutions of the State Bond Commission of the State in the matter of the Series 2017E Bonds have been amended, modified, vacated or rescinded in any manner, except as may be indicated and no appeal has been taken from any of the actions of the State Bond Commission of the State in connection with said matters.

5. There is no litigation now pending or threatened in any way involving the Series 2017E Bonds.

WITNESS MY SIGNATURE and the official seal of the State Bond Commission of the State, this 14th day of November, 2017.




MIKE LANFORD, Deputy Attorney
General of the State of Mississippi and
Acting Ex Officio Secretary of the
State Bond Commission of the State
of Mississippi

STATE BOND COMMISSION

1900 Sillers Building
November 08, 2017
2:00 p.m.

AGENDA

1. Call to Order.
2. Ratify the Bond Commission Meeting Minutes of October 17, 2017.
3. Consider for adoption a Resolution directing the issuance of not to exceed **Fifty-Four Million Five Hundred Thousand Dollars (\$54,500,000) General Obligation Bonds, Series 2017D**, of the State of Mississippi for the purpose of providing funds to finance the cost of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance and delivery of said bonds; Prescribing the forms and details of said bonds; Providing certain covenants of the State in connection with said bonds; Directing the preparation, execution, and delivery of said bonds; Approving the form of and authorizing the distribution of a Preliminary Official Statement in connection with said bonds; Directing the preparation and distribution of a final Official Statement in connection with said bonds; Authorizing a bond rating; Approving and authorizing the distribution of a Notice of Sale; and for related matters.
4. Consider for adoption a Resolution directing the issuance of not to exceed **Forty-Five Million Five Hundred Thousand Dollars (\$45,500,000) Taxable General Obligation, Series 2017E**, of the State of Mississippi for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various economic development loans, grants and programs of the State, and to pay the cost incident to the sale, issuance, and delivery of said bonds; Prescribing the forms and details of said bonds; providing certain covenants of the State in connection with said bonds; Directing the preparation, execution and delivery of said bonds; Approving the form of and authorizing the distribution of a Preliminary Official Statement in connection with said bonds; Directing the preparation and distribution of a final Official Statement in connection with said bonds; Authorizing a bond rating; Approving and authorizing the distribution of a Notice of Sale; and for related matters.
5. Consider for approval, (1) Designating the State Treasurer, a representative from the Attorney General's Office and the Executive Director of the Department of Finance and Administration as Representatives of the State Bond Commission for the purpose of hiring bond and tax counsel to assist with the sale and issuance of a short-term note or notes including but not limited to the preparation of resolutions and other borrowing documents as is deemed necessary; and (2) Authorize the Representatives and Bond Counsel to take all of the necessary actions to prepare for the sale and issuance of a short-term note or notes including but not limited to the preparation of resolutions and other borrowing documents as is deemed necessary.
6. Other Business.
7. Adjournment.

**MINUTES OF A MEETING OF THE STATE BOND COMMISSION
OF THE STATE OF MISSISSIPPI
HELD NOVEMBER 8, 2017**

The State Bond Commission of the State of Mississippi met in a public session at the Office of the Governor, 1900 Sillers Building, 550 High Street, in the City of Jackson, Mississippi, at 2:00 p.m., Central Standard Time, Wednesday, the 8th day of November, 2017, with the following members of the Commission present, to-wit:

Governor Phil Bryant, Governor and Ex-Officio Chairman
Mike Lanford, Deputy Attorney General and Acting Ex-Officio Secretary
Jessie Graham, Deputy State Treasurer and Acting Ex-Officio Member

Also, present:

Robert G. Waites, Office of the Governor
Romaine L. Richards, Esq., Office of the Attorney General
Liz Bolin, Esq., Office of the Attorney General
Teresa Tucker, Office of the Attorney General
Laura D. Jackson, Department of Finance and Administration
Chuck McIntosh, Department of Finance and Administration
Brian Pugh, Department of Finance and Administration
Glenn R. Korbreck, Department of Finance and Administration
Steven McDevitt, Department of Finance and Administration
Calvin Sibley, Department of Finance and Administration
Belinda Russell, Department of Finance and Administration – present telephonically
Yolanda Campbell, Office of the State Treasurer
Jay McCarty, Mississippi Development Authority
Chuck Mosley, Mississippi Development Authority
LaSha Ward, Office of the State Auditor
Brad Davis, Jones Walker, LLP
Steve Johnson, Hilltop – present telephonically
Chris Jennings, Hilltop – present telephonically
Pierce Moore, Stephens, Inc.
Hope S. Ladner, The Clay Firm

Chairman Phil Bryant brought the Meeting to Order.

Chairman Bryant stated the first item of business was to ratify the State Bond Commission ("Commission") meeting minutes of October 17, 2017. Deputy State Treasurer Jessie Graham moved to approve the minutes. Deputy Attorney General Mike Lanford seconded the motion and it was approved by the following vote:

Governor Bryant voted:	Yes
Deputy Attorney General Lanford voted:	Yes
Deputy State Treasurer Graham voted:	Yes

Whereupon the Chairman declared the motion adopted.

The next order of business was to consider for adoption a Resolution directing the issuance of not to exceed **Fifty-Four Million Five Hundred Thousand Dollars (\$54,500,000) General Obligation Bonds, Series 2017D**, of the State of Mississippi for the purpose of providing funds to finance the cost of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance and delivery of said bonds; Prescribing the forms and details of said bonds; Providing certain covenants of the State in connection with said bonds; Directing the preparation, execution, and delivery of said bonds; Approving the form of and authorizing the distribution of a Preliminary Official Statement in connection with said bonds; Directing the preparation and distribution of a final Official Statement in connection with said bonds; Authorizing a bond rating; Approving and authorizing the distribution of a Notice of Sale; and for related matters. Chairman Bryant recognized Steven McDevitt, Bond Advisory Director, with the Department of Finance and Administration ("DFA") for explanation. Mr. McDevitt explained that this Resolution directs the State to issue up to Fifty-Four Million Five Hundred Thousand Dollars (\$54,500,000) of Tax-Exempt General Obligation Bonds, and will allow the State, Bond Counsel and the State's Financial Advisor to take the actions necessary to issue the State's 2017D Bonds. Laura D. Jackson, Executive Director of the Department of Finance and Administration handed out a schedule of the projects for this Bond Issuance. Chairman Bryant asked if there were any additional questions. There being none, Deputy Attorney General Lanford moved to adopt the Resolution directing the issuance of not to exceed **Fifty-Four Million Five Hundred Thousand Dollars (\$54,500,000) General Obligation Bonds, Series 2017D**, of the State of Mississippi for the purpose of providing funds to finance the cost of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance and delivery of said bonds; Prescribing the

forms and details of said bonds; Providing certain covenants of the State in connection with said bonds; Directing the preparation, execution, and delivery of said bonds; Approving the form of and authorizing the distribution of a Preliminary Official Statement in connection with said bonds; Directing the preparation and distribution of a final Official Statement in connection with said bonds; Authorizing a bond rating; Approving and authorizing the distribution of a Notice of Sale; and for related matters. Deputy State Treasurer Graham seconded the motion and it was approved by the following vote:

Governor Bryant voted:	Yes
Deputy Attorney General Lanford voted:	Yes
Deputy State Treasurer Graham voted:	Yes

Whereupon the Chairman declared the motion adopted.

A copy of the schedule is attached as "Exhibit A" and a copy of the Resolution is attached as "Exhibit B."

The next order of business was to consider for adoption a Resolution directing the issuance of not to exceed **Forty-Five Million Five Hundred Thousand Dollars (\$45,500,000) Taxable General Obligation, Series 2017E**, of the State of Mississippi for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various economic development loans, grants and programs of the State, and to pay the cost incident to the sale, issuance, and delivery of said bonds; Prescribing the forms and details of said bonds; providing certain covenants of the State in connection with said bonds; Directing the preparation, execution and delivery of said bonds; Approving the form of and authorizing the distribution of a Preliminary Official Statement in connection with said bonds; Directing the preparation and distribution of a final Official Statement in connection with said bonds; Authorizing a bond rating; Approving and authorizing the distribution of a Notice of Sale; and for related matters. Chairman Bryant recognized Mr. McDevitt for further explanation of this Resolution. Mr. McDevitt explained this is the Resolution that directs the

State to issue Taxable General Obligation Bonds in an amount of not to exceed Forty-Five Million Five Hundred Thousand Dollars (\$45,500,000); adding that the expected principal amounts for the projects are Forty Four Million Eight Hundred Fifty Thousand Dollars (\$44,850,000), and these projects are also listed on the schedule that was previously provided. Further, that the Commission's approval of this Resolution will allow the State, Bond Counsel and the Financial Advisor to take the actions that are necessary for the upcoming bond sale. Mr. McDevitt added that based on this Resolution, DFA will go to market with a competitive sale and then the Commission will need to come back in early December to accept and award the bid on the actual Bond Issuance to the Underwriters. Governor Bryant asked about the difference between the approved project amount of \$44,850,000 and the issuance amount of \$45,500,000. Mr. McDevitt stated that the difference allows for the possibility of selling at a higher rate than the market, and allows the DFA to go forward with the sale without exceeding its authority. Governor Bryant asked what would happen with the additional funds if DFA did not need the full amount, to which Mr. McDevitt said that the remaining amount would go towards costs of issuance. Chairman Bryant asked if there were any questions. There being none, Deputy Attorney General Lanford moved to adopt the Resolution directing the issuance of not to exceed **Forty-Five Million Five Hundred Thousand Dollars (\$45,500,000) Taxable General Obligation, Series 2017E**, of the State of Mississippi for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various economic development loans, grants and programs of the State, and to pay the cost incident to the sale, issuance, and delivery of said bonds; Prescribing the forms and details of said bonds; providing certain covenants of the State in connection with said bonds; Directing the preparation, execution and delivery of said bonds; Approving the form of and authorizing the distribution of a Preliminary Official Statement in connection with said bonds; Directing

the preparation and distribution of a final Official Statement in connection with said bonds; Authorizing a bond rating; Approving and authorizing the distribution of a Notice of Sale; and for related matters. Deputy State Treasurer Graham seconded the motion and it was approved by the following vote:

Governor Bryant voted:	Yes
Deputy Attorney General Lanford voted:	Yes
Deputy State Treasurer Graham voted:	Yes

Whereupon the Chairman declared the motion adopted.

A copy of the Resolution is attached as "Exhibit C."

The next order of business was to consider for approval, (1) Designating the State Treasurer, a representative from the Attorney General's Office and the Executive Director of the Department of Finance and Administration as Representatives of the State Bond Commission for the purpose of hiring bond and tax counsel to assist with the sale and issuance of a short-term note or notes including but not limited to the preparation of resolutions and other borrowing documents as is deemed necessary; and (2) Authorize the Representatives and Bond Counsel to take all of the necessary actions to prepare for the sale and issuance of a short-term note or notes including but not limited to the preparation of resolutions and other borrowing documents as is deemed necessary. Chairman Bryant recognized Mr. McDevitt for explanation. Mr. McDevitt informed the Commission that the Mississippi Development Authority ("MDA") had notified the State Treasurer's Office that the Continental Tire facility would need additional short-term funding as early as February 2018. Under the terms of the current note, the loan cannot be extended; therefore, the State will need to obtain another short-term loan to provide interim financing until the related bonds are sold. However, to begin preparing for another short-term note, the State needs to hire counsel to advise and assist with the preparation of documents related to the note. Approval of this agenda item will allow the Bond Commission's Representatives to hire counsel and begin preparing the necessary

documents for the next Commission meeting in December. Chairman Bryant said that Continental had informed him that they were ahead of their construction schedule. Chairman Bryant also stated the Continental Tire facility was probably the largest site that he had seen in Mississippi. Chairman Bryant asked if there were any questions. There being none, Deputy Attorney General Lanford moved to adopt the approval of (1) Designating the State Treasurer, a representative from the Attorney General's Office and the Executive Director of the Department of Finance and Administration as Representatives of the State Bond Commission for the purpose of hiring bond and tax counsel to assist with the sale and issuance of a short-term note or notes including but not limited to the preparation of resolutions and other borrowing documents as is deemed necessary; and (2) Authorize the Representatives and Bond Counsel to take all of the necessary actions to prepare for the sale and issuance of a short-term note or notes including but not limited to the preparation of resolutions and other borrowing documents as is deemed necessary. Deputy State Treasurer Graham seconded the motion and it was approved by the following vote:

Governor Bryant voted:	Yes
Deputy Attorney General Lanford voted:	Yes
Deputy State Treasurer Graham voted:	Yes

Whereupon the Chairman declared the motion adopted.

There was no other business to consider.

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There being no further business to come before the Commission,
Deputy State Treasurer Jessie Graham motioned to adjourn the meeting and Deputy Attorney General Mike Lanford
seconded the motion. Thereupon, pursuant to motion duly made and
carried, the Bond Commission adjourned.



Chairman, State Bond Commission

Attest:


Acting Secretary, State Bond Commission

The above and foregoing minutes read and approved this the 8th day
of November, 2017.


Chairman, State Bond Commission


Acting Secretary, State Bond Commission

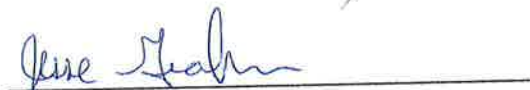

Member, State Bond Commission

EXHIBIT A

DRAFT

Fall 2017 Project List Revised 11/08/17

Program or Project Name	Legislative Session	Bill Number	Bill Section	Purpose	Total Legislation - Amount	Total Amount Previously Issued	Issue Amount for Fall 2017 TAX-EXEMPT	Issue Amount for Fall 2017 TAXABLE	Issue Amount for Fall 2017
Mississippi State Fairground	2016 RLS	HB 1729	5	To pay the costs of: 1. The repair and renovation of and improvements to the Mississippi Coliseum; 2. The construction of a new trade mart to adjoin the existing Mississippi Trade Mart; and 4. Improvements to parking on the Mississippi State Fairgrounds, including, but not limited to, the construction of parking facilities on the location of the existing Mississippi Trade Mart.	\$ 20,000,000	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 10,000,000
Holmes Community College	2015 RLS	SB 2906	2	To pay the costs of acquisition of real property, construction of new facilities, equipping and furnishing facilities, including furniture and technology equipment and infrastructure, and addition to or renovation of existing facilities for community and junior college campuses as recommended by the Mississippi Community College Board.	\$ 1,640,114	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
Alcorn State University	2015 RLS	SB 2906	1	Phase II of construction, furnishing and equipping of new Academic Technology Building and related facilities.	\$ 7,100,000	\$ 2,100,000	\$ 5,000,000	\$ -	\$ 5,000,000
Alcorn State University	2016 RLS	HB 1729	1	Phase I of construction, furnishing, and equipping of new buildings and related facilities for university faculty and staff housing.	\$ 7,500,000	\$ 4,000,000	\$ 1,000,000	\$ -	\$ 1,000,000
Mississippi State University	2016 RLS	HB 1729	1	Phase I of construction, furnishing and equipping of a new building and related facilities to house the Music Department.	\$ 10,000,000	\$ 702,500	\$ 4,000,000	\$ -	\$ 4,000,000
Mississippi State University/Division of Ag. Forestry and Veterinary Medicine	2016 RLS	HB 1729	2	Phase III of construction, furnishing and equipping of a new building and related facilities to house the Departments of Animal and Dairy Science and Poultry Science.	\$ 12,000,000	\$ -	\$ 12,000,000	\$ -	\$ 12,000,000
Mississippi Community Heritage Preservation Grant Fund	2015 RLS	SB 2800			\$ 4,000,000	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000
Madison City of - HWY 51 to I55 access road	2014 RLS	HB 787	33	to assist the City of Madison, Mississippi, in paying costs associated with the construction of a four (4) lane access road from U.S. Highway 51 to Interstate Highway 55.	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
Mississippi Arts and Entertainment	2016 RLS	HB 1729	13	to pay the costs of constructing, furnishing, equipping and repairs and renovations at the Mississippi Arts and Entertainment Center created in Section 39-25-1, and to purchase real estate for such center.	\$ 15,000,000	\$ 5,000,000	\$ 10,000,000	\$ -	\$ 10,000,000
Mount Olive Park Improvements	2016 RLS	HB 1729	47	to assist the Mt. Olive Recreational Development Corporation in paying the costs of construction, repair, renovation, replacement and improvement of facilities and infrastructure at Mount Olive Park in the City of Bolton.	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000
Natchez Seminary - General Missionary Baptist Convention of MS	2016 RLS	HB 1729	74	to pay the costs of furnishing, equipping, repairing and renovating the Natchez Seminary Property of the General Missionary Baptist Convention of Mississippi, Inc.	\$ 400,000	\$ -	\$ 400,000	\$ -	\$ 400,000

Program or Project Name	Legislative Session	Bill Number	Bill Section	Purpose	Total Legislation - Amount	Total Amount Previously Issued	Issue Amount for Fall 2017 TAX-EXEMPT	Issue Amount for Fall 2017 TAXABLE	Issue Amount for Fall 2017
Partnership School	2016 RLS	HB 1728	14	to assist in paying the costs of construction, furnishing and equipping of the Partnership School on the campus of Mississippi State University.	\$ 10,000,000	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000
Terry, Town of - Hisonic Preservation	2016 RLS	HB 1729	31	to assist the City of Terry, Mississippi, in paying costs associated with historic preservation projects.	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ 150,000
ACE	2016 RLS	SB 2906	15	Per M.S. Code Section 57-1-15	\$ 29,200,000	\$ 7,200,000	\$ -	\$ -	\$ 10,000,000
MBA - Business Investment (DIP)	2014 RLS	HB 787	11	for the purpose of making grants or loans to municipalities through an equipment and public facilities grant and loan fund to aid in infrastructure-related improvements as determined by the Mississippi Development Authority, the purchase of equipment and in the purchase, construction or repair and renovation of public facilities.	\$ 5,000,000	\$ 400,000	\$ -	\$ -	\$ 2,600,000
Mississippi Site Development Grant	2017 RLS	SB 3033	1 & 2	to make grants to eligible entities to match local or other funds associated with improving the marketability of publicly owned industrial property for industrial economic development purposes and other property improvements as approved by MDA.	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000
MMEA - BRAC	2013 RLS	SB 2913	34	57-75-5(1)(i) - Any major capital project designed to improve, expand or otherwise enhance any active duty or reserve US armed services bases and facilities or any major Mississippi National Guard training installations that are at risk to be recommended for closure or realignment pursuant to the Defense Base Closure. 2.) Any major study or investigation related to such facility 3.) Any project as defined in section 57-3-5 determined by the authority to be eligible which is directly or indirectly related to any military base or other Military-related facility no longer operated by the US armed services or the Mississippi National Guard.	\$ 2,000,000	\$ 840,000	\$ -	\$ -	\$ 1,160,000
MMEA - BRAC	2016 RLS	HB 1728	18	57-75-5(1)(i) - Any major capital project designed to improve, expand or otherwise enhance any active duty or reserve US armed services bases and facilities or any major Mississippi National Guard training installations that are at risk to be recommended for closure or realignment pursuant to the Defense Base Closure. 2.) Any major study or investigation related to such facility 3.) Any project as defined in section 57-3-5 determined by the authority to be eligible which is directly or indirectly related to any military base or other Military-related facility no longer operated by the US armed services or the Mississippi National Guard.	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 840,000
MMEA - Continental Tire	2016 1st ES	HB 1	4	57-75-5(1)(i)(b) - MMEA/Continental Tire	\$ 293,000,000	\$ -	\$ 2,750,000	\$ 28,250,000	\$ 31,000,000
TOTALS					\$ 293,000,000	\$ 840,000	\$ 54,350,000	\$ 44,850,000	\$ 99,200,000

EXHIBIT B

Thereupon, _____ offered and moved the adoption of the following resolution:

RESOLUTION DIRECTING THE ISSUANCE OF NOT TO EXCEED FIFTY-FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$54,500,000) GENERAL OBLIGATION BONDS, SERIES 2017D, OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE THE COSTS OF VARIOUS LONG-TERM CAPITAL IMPROVEMENT PROJECTS WITHIN THE STATE AND VARIOUS GRANT AND LOAN PROGRAMS OF THE STATE, AND TO PAY THE COSTS INCIDENT TO THE SALE, ISSUANCE, AND DELIVERY OF SAID BONDS; PRESCRIBING THE FORMS AND DETAILS OF SAID BONDS; PROVIDING CERTAIN COVENANTS OF THE STATE IN CONNECTION WITH SAID BONDS; DIRECTING THE PREPARATION, EXECUTION, AND DELIVERY OF SAID BONDS; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH SAID BONDS; DIRECTING THE PREPARATION AND DISTRIBUTION OF A FINAL OFFICIAL STATEMENT IN CONNECTION WITH SAID BONDS; AUTHORIZING A BOND RATING; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A NOTICE OF SALE; AND FOR RELATED MATTERS.

WHEREAS, pursuant to Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature, the State Bond Commission (the "Commission") of the State of Mississippi (the "State") is authorized to issue general obligation bonds of the State under Sections 57-75-15(3)(bb) of the Mississippi Major Economic Impact Act in a principal amount not exceeding Two Hundred Sixty-Three Million Dollars (\$263,000,000), provided that an aggregate principal amount thereof not to exceed Two Hundred Sixty-Three Million Dollars (\$263,000,000) be used for the purposes of financing a "project" as described in Section 57-75-5(f)(xxix) of the Mississippi Major Economic Impact Act, upon receipt of a declaration from the Mississippi Major Economic Impact Authority ("MMEIA") declaring the necessity for the issuance of such general obligation bonds, in accordance with the provisions of the Mississippi Major Economic Impact Act; and

WHEREAS, as required by Section 57-75-15(1) of the Mississippi Major Economic Impact Act, MMEIA submitted a declaration to the Commission on February 11, 2016 (the "Continental Declaration") requesting financing (a) under Section 57-75-15(3)(bb) of the Mississippi Major Economic Impact Act in an aggregate principal amount of not to exceed Two Hundred Sixty-Three Million Dollars (\$263,000,000) for the purpose of financing a "project" as described in Section 57-75-5(f)(xxix) of the Mississippi Major Economic Impact Act for Continental Tire The Americans, LLC, to be located in Hinds County, Mississippi (the "Continental Project"), and the Commission is in receipt of the Continental Declaration; and

WHEREAS, on May 16, 2016, the Commission adopted a resolution declaring its intention to issue general obligation bonds of the State, in one or more series, under Sections 57-75-15(3)(bb) of the Mississippi Major Economic Impact Act in an aggregate principal amount of not to exceed Two Hundred Sixty-Three Million Dollars (\$263,000,000) for the purpose of financing the Continental Project; and

WHEREAS, the Commission, acting on behalf of the State, has the authority to issue short-term notes to provide temporary financing for certain

projects for which the Commission is otherwise authorized to issue bonds; in July 2016, the State issued its \$80,000,000 Taxable General Obligation Note, Series 2016A (the "Series 2016A Note") to provide temporary financing for a portion of the costs of the Continental Project, for which there is currently approximately \$40,000,000 outstanding under the Series 2016A Note, maturing July 7, 2018; the Commission hereby states its intention to refinance a portion of the Series 2016A Note with a portion of the proceeds of the Series 2017D Bonds; and

WHEREAS, the Commission has not previously issued a portion of such general obligation bonds of the State under and pursuant to the Mississippi Major Economic Impact Act"), Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature, and the Continental Declaration to provide financing for the Continental Project; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the Continental Project, including, but not limited to, refinancing of the Series 2016A Note, under the provisions of Sections 57-75-15(3)(bb) of the Mississippi Major Economic Impact Act in an aggregate principal amount of not to exceed Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000); and

WHEREAS, pursuant to the provisions of Section 5 of House Bill 1729 of the 2016 Regular Session of the State Legislature, (the "2016 Mississippi State Fairgrounds Improvement Act"), the Commission is authorized to issue general obligation bonds of the State in a total amount not to exceed Twenty Million Dollars (\$20,000,000), of which no more than Ten Million Dollars (\$10,000,000) shall be issued in any one fiscal year, for the purpose of providing funds to pay the costs of the repair and renovation of and improvement to the Mississippi Coliseum, the construction of a new trade mart to adjoin the Mississippi Coliseum, the demolition of the existing Mississippi Trade Mart, and improvements to parking on the Mississippi State Fairgrounds, including, but not limited to, the construction of parking facilities on the location of the existing Mississippi Trade Mart (the "2016 Mississippi State Fairgrounds Improvement Project"), upon receipt of a resolution or resolutions of the Department of Finance and Administration (the "DFA") of the State declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, as required by the 2016 Mississippi State Fairgrounds Improvement Act, DFA adopted resolutions on October 24, 2016, and September 22, 2017, declaring the necessity for the sale and issuance of general obligation bonds of the State in an aggregate principal amount not to exceed Twenty Million Dollars (\$20,000,000) for the purpose of providing financing for the 2016 Mississippi State Fairgrounds Improvement Project as authorized by the 2016 Mississippi State Fairgrounds Improvement Act, and the Commission is in receipt of such resolution; and

WHEREAS, the Commission has previously authorized the sale and issuance of a portion of such general obligation bonds of the State in the principal amount of Ten Million Dollars (\$10,000,000) under and pursuant to the 2016 Mississippi State Fairgrounds Improvement Act to provide financing for the 2016 Mississippi State Fairgrounds Improvement Project; and

WHEREAS, DFA has requested additional financing at this time for the 2016 Mississippi State Fairgrounds Improvement Project in the amount of Ten Million Dollars (\$10,000,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2016 Mississippi State Fairgrounds Improvement Project under the provisions of the 2016 Mississippi State Fairgrounds Improvement Act in the total aggregate principal amount of not to exceed Ten Million Dollars (\$10,000,000); and

WHEREAS, pursuant to Section 1 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 IHL Capital Improvements Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not exceeding Seventy-One Million Seven Hundred Thousand Dollars (\$71,700,000) for the purpose of providing funds to pay the costs of capital improvements, renovation, and/or repair of existing facilities, furnishings and/or equipping facilities for public facilities, including Seven Million One Hundred Thousand Dollars (\$7,100,000) for Phase II of construction, furnishing, and equipping of a new Academic Technology Building and related facilities for Alcorn State University (the "2015 Alcorn State Project"), under the management and control of the Board of Trustees of State Institutions of Higher Learning, and upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, as required by the 2015 IHL Capital Improvements Act, DFA adopted a resolution on October 24, 2016, declaring the necessity for the sale and issuance of general obligation bonds of the State in an amount not to exceed Seven Million One Hundred Thousand Dollars (\$7,100,000) for the purpose of providing financing for the 2015 Alcorn State Project authorized pursuant to the 2015 IHL Capital Improvements Act; and

WHEREAS, the Commission has previously authorized and issued a portion of such general obligation bonds of the State in the principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000) under and pursuant to the 2015 IHL Capital Improvements Act to provide financing for the 2015 Alcorn State Project; and

WHEREAS, DFA has requested additional financing at this time in the amount of Five Million Dollars (\$5,000,000) for the 2015 Alcorn State Project, as authorized by the 2015 IHL Capital Improvements Act; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2015 Alcorn State Project under the provisions of the 2015 IHL Capital Improvements Act in the total aggregate principal amount of not to exceed Five Million Dollars (\$5,000,000); and

WHEREAS, pursuant to Section 1 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Capital Improvements Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not exceeding Sixty-One Million Eight Hundred Ninety-Seven Thousand Five Hundred Dollars (\$61,897,500) for the purpose of providing funds to pay the costs of various capital improvement projects for various higher education institutions under the management and control of the Board of Trustees of State Institutions of Higher Learning (the "2016 IHL Capital Improvements Projects"), and upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, as required by the 2016 IHL Capital Improvements Act, DFA adopted a resolution on October 24, 2016, declaring the necessity for the sale and issuance of general obligation bonds of the State in the principal amount of not to exceed Sixty-One Million Eight Hundred Ninety-Seven Thousand Five Hundred Dollars (\$61,897,500) for the purpose of providing financing for the 2016 IHL Capital Improvements Projects authorized pursuant to the 2016 IHL Capital Improvements Act, and the Commission is in receipt of such resolution; and

WHEREAS, the Commission has previously authorized and issued a portion of such general obligation bonds of the State in the principal amount of Forty-Three Million Six Hundred Thousand Dollars (\$43,600,000) under and pursuant to the 2016 IHL Capital Improvements Act to provide financing for the 2016 IHL Capital Improvements Projects; and

WHEREAS, DFA has requested financing at this time in the amount of Five Million Dollars (\$5,000,000) for the following projects, as authorized by the 2016 IHL Capital Improvements Act:

MISSISSIPPI STATE UNIVERSITY

\$4,000,000 for Phase 1 of construction, furnishing and equipping of a new building and related facilities to house the Music Department

ALCORN STATE UNIVERSITY

\$1,000,000 for Phase 1 of construction, furnishing and equipping of new buildings and related facilities for university faculty and staff housing; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2016 IHL Capital Improvement Projects under the provisions of the 2016 IHL Capital Improvements Act in the total aggregate principal amount of not to exceed Five Million Dollars (\$5,000,000); and

WHEREAS, pursuant to Section 2 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Additional Capital Improvements Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not exceeding Thirty-Three Million Five Hundred Thousand Dollars (\$33,500,000) for the purpose of providing funds to pay the costs of various capital improvement projects for various higher education institutions under the management and control of the Board of Trustees of State Institutions of Higher Learning (the "2016 IHL Additional Capital Improvements Projects"), and upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, as required by the 2016 IHL Additional Capital Improvements Act, DFA adopted a resolution on September 22, 2017, declaring the necessity for the sale and issuance of general obligation bonds of the State in the principal amount of not to exceed Eighteen Million Five Hundred Thousand Dollars (\$18,500,000) for the purpose of providing financing for the 2016 IHL Additional Capital Improvements Projects authorized pursuant to the 2016 IHL Additional Capital Improvements Act, and the Commission is in receipt of such resolutions; and

WHEREAS, the Commission has not previously authorized and issued a portion of such general obligation bonds of the State under and pursuant to the 2016 IHL Additional Capital Improvements Act to provide financing for the 2016 IHL Additional Capital Improvements Projects; and

WHEREAS, DFA has requested financing at this time in the amount of Twelve Million Dollars (\$12,000,000) for the following project, as authorized by the 2016 IHL Additional Capital Improvements Act:

**MISSISSIPPI STATE UNIVERSITY/DIVISION OF
AGRICULTURE, FORESTRY AND
VETERINARY MEDICINE**

\$12,000,000 for Phase III of construction, furnishing and equipping of a new building and related facilities to house the Departments of Animal and Dairy Science and Poultry Science; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2016 IHL Additional Capital Improvement Projects under the provisions of the 2016 IHL Additional Capital Improvements Act in the total aggregate principal amount of not to exceed Twelve Million Dollars (\$12,000,000); and

WHEREAS, pursuant to Section 14 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Partnership School Construction Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not exceeding Ten Million Dollars (\$10,000,000), with no more than Five Million Dollars (\$5,000,000) being issued in any one (1) fiscal year, for the purpose of providing funds to pay the costs of constructing, furnishing and equipping of the Partnership School on the campus of Mississippi State University (the "2016 Partnership School Construction Project"), and upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, as required by the 2016 Partnership School Construction Act, DFA adopted resolutions on September 22, 2017, and October 24, 2016, declaring the necessity for the sale and issuance of general obligation bonds of the State in the aggregate principal amount of not to exceed Ten Million Dollars (\$10,000,000) for the purpose of providing financing authorized pursuant to the 2016 Partnership School Construction Act, and the Commission is in receipt of such resolutions; and

WHEREAS, the Commission has previously authorized and issued a portion of such general obligation bonds of the State in the principal amount of Five Million Dollars (\$5,000,000) under and pursuant to the 2016 Partnership School Construction Act to provide financing for the 2016 Partnership School Construction Project; and

WHEREAS, DFA has requested financing at this time in the amount of Five Million Dollars (\$5,000,000), as authorized by the 2016 Partnership School Construction Project; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2016 Partnership School Construction Project under the provisions of the 2016 Partnership School Construction Act in the total aggregate principal amount of not to exceed Five Million Dollars (\$5,000,000); and

WHEREAS, pursuant to Section 2 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 Community and Junior Colleges Capital Improvements Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not exceeding Twenty-Five Million Dollars (\$25,000,000) for the purpose of providing funds to pay the costs of the acquisition of real property, the construction of new facilities, the equipping and furnishing of facilities, including furniture and technology equipment and infrastructure, and the addition to or renovation of existing facilities for community and junior college campuses as recommended by the Mississippi Community College Board, including One Million Eight Hundred Forty Thousand One Hundred Fourteen Dollars (\$1,840,114) for capital improvements at Holmes Community College (the "2015 Holmes Community College Project"), upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, as required by the 2015 Community and Junior Colleges Capital Improvements Act, DFA adopted resolutions on October 5, 2015 (as amended by a resolution adopted by DFA on October 27, 2015), October 24, 2016, and September 22, 2017, declaring the necessity for the issuance of general obligation bonds of the State in the principal amount of not to exceed Twenty-Five Million Dollars (\$25,000,000) for the purpose of providing financing for projects authorized pursuant to the 2015 Community and Junior Colleges Capital Improvements Act; and

WHEREAS, the Commission has previously authorized and issued a portion of such general obligation bonds of the State in the principal amount of Twenty Million Two Hundred Sixty-Five Thousand Dollars (\$20,265,000) under and pursuant to the 2015 Community and Junior Colleges Capital Improvements Act; and

WHEREAS, DFA has requested financing at this time in the amount of One Million Dollars (\$1,000,000) for the 2015 Holmes Community College Project, as authorized by the 2015 Community and Junior Colleges Capital Improvements Act; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2015 Holmes Community College Project under the provisions of the 2015 Community and Junior Colleges Capital Improvements Act in the total aggregate principal amount of not to exceed One Million Dollars (\$1,000,000); and

WHEREAS, pursuant to Section 39-5-145, Mississippi Code of 1972, as amended, including, but not limited to, Sections 24 and 25 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "Mississippi Community Heritage Preservation Grant Act"), the Commission is authorized to issue general obligation bonds of the State in an aggregate principal amount of not to exceed Forty-One Million Seven Hundred Thousand Dollars (\$41,700,000), for the purpose of providing funding for the Community Heritage Preservation Grant Fund (the "Community Heritage Preservation Grant Fund") created under the Mississippi Community Heritage Preservation Grant Act to be used by DFA to make grants to county governments, municipal governments, school districts, and nonprofit organizations that have obtained 501(c)3 tax-exempt status from the United State Internal Revenue Service for the purpose of paying costs incurred preserving, restoring, rehabilitating, repairing or interpreting historic county courthouses, historic school building, and/or other historic properties identified by certified local governments (the "Community Heritage Preservation Project"), upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, the Commission has previously authorized and issued a portion of said general obligation bonds of the State in the aggregate principal amount of Thirty-Seven Million Seven Hundred Thousand Dollars (\$37,700,000) under and pursuant to the Mississippi Community Heritage Preservation Grant Act to provide financing for the Community Heritage Preservation Project; and

WHEREAS, as required by the Mississippi Community Heritage Preservation Grant Act, DFA adopted a resolution on September 22, 2017, declaring the necessity for the sale and issuance of general obligation bonds of the State in an aggregate principal amount of not to exceed Four Million Dollars (\$4,000,000) for the purpose of providing additional financing for the Community Heritage Preservation Project under the provisions of the Mississippi Community Heritage Preservation Grant Act, and the Commission is in receipt of such resolution; and

WHEREAS, of such amount, DFA has requested financing at this time for the Community Heritage Preservation Project in the principal amount of Two Million Dollars (\$2,000,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the Community Heritage Preservation Project under and pursuant to the provisions of the Mississippi Community Heritage Preservation Grant Act in an aggregate principal amount of not to exceed Two Million Dollars (\$2,000,000); and

WHEREAS, pursuant to Section 13 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mississippi Arts and Entertainment Act"), the Commission is authorized to issue general obligation bonds of the State in an aggregate principal amount of not to exceed Fifteen Million Dollars (\$15,000,000), with not more than Five Million Dollars (\$5,000,000) of such bonds may be issued during fiscal year 2017, for the purpose of providing funds to pay the costs of construction, furnishing, equipping, and repairs and renovations at the Mississippi Arts and Entertainment Center, created in

Section 39-25-1, Mississippi Code of 1972, as amended, and to purchase real estate for the Mississippi Arts and Entertainment Center (the "2016 Mississippi Arts and Entertainment Project"), upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, the Commission has previously authorized and issued a portion of said general obligation bonds of the State in the aggregate principal amount of Five Million Dollars (\$5,000,000) under and pursuant to the 2016 Mississippi Arts and Entertainment Act to provide financing for the 2016 Mississippi Arts and Entertainment Project; and

WHEREAS, as required by the 2016 Mississippi Arts and Entertainment Act, DFA adopted resolutions on October 24, 2016 and September 22, 2017, declaring the necessity for the sale and issuance of general obligation bonds of the State in an aggregate principal amount of not to exceed Fifteen Million Dollars (\$15,000,000) for the purpose of providing financing for the 2016 Mississippi Arts and Entertainment Project under the provisions of the 2016 Mississippi Arts and Entertainment Act, and the Commission is in receipt of the such resolutions; and

WHEREAS, of such amount, DFA has requested additional financing at this time for the 2016 Mississippi Arts and Entertainment Project in the principal amount of Ten Million Dollars (\$10,000,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2016 Mississippi Arts and Entertainment Project under and pursuant to the provisions of the 2016 Mississippi Arts and Entertainment Act in an aggregate principal amount of not to exceed Ten Million Dollars (\$10,000,000); and

WHEREAS, pursuant to Section 33 of House Bill 787 of the 2014 Regular Session of the State Legislature (the "2014 City of Madison I-55 Connector Construction Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not exceeding One Million Dollars (\$1,000,000) for the purpose of providing funds to assist the City of Madison, Mississippi, in paying the costs associated with the construction of a four (4) lane access road from U.S. Highway 51 to Interstate Highway 55 (the "2014 City of Madison I-55 Connector Construction Project"), upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, as required by the 2014 City of Madison I-55 Connector Construction Act, DFA adopted a resolution on September 22, 2017, declaring the necessity for the issuance of general obligation bonds of the State in the principal amount of not to exceed One Million Dollars (\$1,000,000) for the purpose of providing financing for the 2014 City of Madison I-55 Connector Construction Project; and

WHEREAS, the Commission has not previously authorized and issued general obligation bonds of the State pursuant to the 2014 City of Madison I-55 Connector Construction Act to provide financing for the 2014 City of Madison I-55 Connector Construction Project; and

WHEREAS, DFA has requested financing at this time for the 2014 City of Madison I-55 Connector Construction Project in the amount of One Million Dollars (\$1,000,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2014 City of Madison I-55 Connector Construction Project under the provisions of the 2014 City of Madison I-55 Connector Construction Act in the total aggregate principal amount of not to exceed One Million Dollars (\$1,000,000); and

WHEREAS, pursuant to Section 31 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 City of Terry Historic Preservation Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000) for the purpose of providing funds to assist the City of Terry, Mississippi, in paying costs associated with historic preservation projects (the "2016 City of Terry Historic Preservation Project"), upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, the Commission has not previously authorized the sale and issuance of general obligation bonds of the State pursuant to the 2016 City of Terry Historic Preservation Act to provide financing for the 2016 City of Terry Historic Preservation Project; and

WHEREAS, as required by the 2016 City of Terry Historic Preservation the DFA adopted a resolution on September 22, 2017, declaring the necessity for the issuance of general obligation bonds of the State in the principal amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000) for the purpose of providing financing for the 2016 City of Terry Historic Preservation Project; and

WHEREAS, DFA has requested financing at this time for the 2016 City of Terry Historic Preservation Project in the amount of One Hundred Fifty Thousand Dollars (\$150,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2016 City of Terry Historic Preservation Project under the provisions of the 2016 City of Terry Historic Preservation Act in the total aggregate principal amount of not to exceed One Hundred Fifty Thousand Dollars (\$150,000); and

WHEREAS, pursuant to Section 47 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mount Olive Park Improvements Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not to exceed Fifty Thousand Dollars (\$50,000) for the purpose of providing funds to assist the Mt. Olive Recreational Development Corporation in paying costs of construction, repair, renovation, replacement, and improvement of facilities and infrastructure in the City of Bolton, Mississippi (the "2016 Mount Olive Park Improvements Project"); and

WHEREAS, as required by the 2016 Mount Olive Park Improvements Act, DFA adopted a resolution on October 24, 2016, declaring the necessity for the issuance of general obligation bonds of the State in the principal amount of not to exceed Fifty Thousand Dollars (\$50,000) for the purpose of providing financing for the 2016 Mount Olive Park Improvements Project; and

WHEREAS, on December 19, 2016, the Commission adopted a resolution declaring its intention to issue general obligation bonds of the State, in one or more series, in a total aggregate principal amount of not to exceed Fifty Thousand Dollars (\$50,000) to provide financing for the 2016 Mount Olive Park Improvements Project in an aggregate principal amount of not to exceed Fifty Thousand Dollars (\$50,000); and

WHEREAS, the Commission acting on behalf of the State, has the authority to obtain interim financing for the 2016 Mount Olive Park Improvements Project by borrowing from the State's Common Call Fund or any other means necessary for the purposes of funding the 2016 Mount Olive Park Improvements Project; and

WHEREAS; the Commission declared its official intent to reimburse the State from the proceeds of the Bonds for expenses incurred with respect to the 2016 Mount Olive Park Improvements Project subsequent to the date of said resolution;

and further that said resolution was intended as a declaration of official intent under Treasury Regulation Section 1.150-2 and that said bonds would not exceed a total aggregate principal amount of Fifty Thousand Dollars (\$50,000); and

WHEREAS, the Commission has not previously issued a portion of such general obligation bonds of the State under and pursuant to 2016 Mount Olive Park Improvements Act, to provide financing for the 2016 Mount Olive Park Improvements Project; and

WHEREAS, DFA has requested financing at this time for the 2016 Mount Olive Park Improvements Project in the amount of Fifty Thousand Dollars (\$50,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2016 Mount Olive Park Improvements Project under the provisions of the 2016 Mount Olive Park Improvements Act in the total aggregate principal amount of not to exceed Fifty Thousand Dollars (\$50,000), including, without limitation, the reimbursement of any funds expended by DFA heretofore for the 2016 Mount Olive Park Improvements Project; and

WHEREAS, pursuant to Section 74 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Natchez Seminary Repair and Renovation Act"), the Commission is authorized to issue general obligation bonds of the State in a principal amount not exceeding Four Hundred Thousand Dollars (\$400,000) for the purpose of providing funds to pay the costs of furnishing, equipping, repairing, and renovating the Natchez Seminary Property of the General Missionary Baptist Convention of Mississippi, Inc. (the "2016 Natchez Seminary Repair and Renovation Project"), upon receipt of a resolution or resolutions of DFA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, as required by the 2016 Natchez Seminary Park Repair and Renovation Act, DFA adopted a resolution on December 14, 2016, declaring the necessity for the issuance of general obligation bonds of the State in the principal amount of not to exceed Four Hundred Thousand Dollars (\$400,000) for the purpose of providing financing for the 2016 Natchez Seminary Park Repair and Renovation Project; and

WHEREAS, on December 19, 2016, the Commission adopted a resolution declaring its intention to issue general obligation bonds of the State, in one or more series, in a total aggregate principal amount of not to exceed Four Hundred Thousand Dollars (\$400,000) to provide financing for the 2016 Natchez Seminary Repair and Renovation Project in an aggregate principal amount of not to exceed Four Hundred Thousand Dollars (\$400,000); and

WHEREAS, the Commission acting on behalf of the State, has the authority to obtain interim financing for the 2016 Natchez Seminary Park Repair and Renovation Project by borrowing from the State's Common Call Fund or any other means necessary for the purposes of funding the 2016 Natchez Seminary Repair and Renovation Project; and

WHEREAS, the Commission declared its official intent to reimburse the State from the proceeds of the Bonds for expenses incurred with respect to the 2016 Natchez Seminary Repair and Renovation Project subsequent to the date of said resolution; and further that said resolution was intended as a declaration of official intent under Treasury Regulation Section 1.150-2 and that said bonds would not exceed a total aggregate principal amount of Four Hundred Thousand Dollars (\$400,000); and

WHEREAS, the Commission has not previously issued a portion of such general obligation bonds of the State under and pursuant to the 2016 Natchez

Seminary Repair and Renovation Act, to provide financing for the 2016 Natchez Seminary Park Repair and Renovation Project; and

WHEREAS, DFA has requested financing at this time for the 2016 Natchez Seminary Repair and Renovation Project in the amount of Four Hundred Thousand Dollars (\$400,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the 2016 Natchez Seminary Repair and Renovation Project under the provisions of the 2016 Natchez Seminary Repair and Renovation Act in the total aggregate principal amount of not to exceed Four Hundred Thousand Dollars (\$400,000), including, without limitation, the reimbursement of any funds expended by DFA heretofore for the 2016 Natchez Seminary Repair and Renovation Project; and

WHEREAS, pursuant to (a) the Mississippi Major Economic Impact Act and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature, (b) the 2016 Mississippi State Fairgrounds Improvement Act, (c) the 2015 IHL Capital Improvements Act, (d) the 2016 IHL Capital Improvements Act, (e) the 2016 IHL Additional Capital Improvements Act, (f) the 2016 Partnership School Construction Act, (g) the 2015 Community and Junior Colleges Capital Improvements Act, (h) the Mississippi Community Heritage Preservation Grant Act, (i) the 2016 Mississippi Arts and Entertainment Act, (j) the 2014 City of Madison I-55 Connector Construction Act, (k) the 2016 City of Terry Historic Preservation Act, (l) the 2016 Mt. Olive Park Improvements Act, and (m) the 2016 Natchez Seminary Repair and Renovation Act (together "the Acts"), the Commission is authorized to issue general obligation bonds of the State for the purpose of providing funds for (a) the Continental Project, (b) the 2016 Mississippi State Fairgrounds Improvement Project, (c) the 2015 Alcorn State Project, (d) the 2016 IHL Capital Improvements Projects, (e) the 2016 IHL Additional Capital Improvements Projects; (f) the 2016 Partnership School Construction Project, (g) the 2015 Holmes Community College Project, (h) the Community Heritage Preservation Grant Fund, (i) the 2016 Mississippi Arts and Entertainment Project, (j) the 2014 City of Madison I-55 Connector Construction Project, (k) 2016 City of Terry Historic Preservation Project, (l) the 2016 Mt. Olive Park Improvements Project, and (m) the 2016 Natchez Seminary Repair and Renovation Project (collectively, the "Projects"), upon receipt of a resolution from DFA declaring the necessity for the issuance of general obligation bonds of the State pursuant thereto; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide for the financing of the Projects in accordance with the Acts by issuing not to exceed Fifty-Four Million Five Hundred Thousand Dollars (\$54,500,000) State of Mississippi General Obligation Bonds, Series 2017D (the "Series 2017D Bonds"); and

WHEREAS, the proceeds of the Series 2017D Bonds will be used to provide for the financing of the Projects as follows: (a) the Continental Project in the amount of Two Million Seven Hundred Fifty Thousand (\$2,750,000), (b) the 2016 Mississippi State Fairgrounds Improvement Project in the amount of Ten Million Dollars (\$10,000,000), (c) the 2015 Alcorn State Project in the amount of Five Million Dollars (\$5,000,000), (d) the 2016 IHL Capital Improvements Project in the amount of Five Million Dollars (\$5,000,000), (e) the 2016 IHL Additional Capital Improvements Project in the amount of Twelve Million Dollars (\$12,000,000), (f) the 2016 Partnership School Construction Project in the amount of Five Million Dollars (\$5,000,000), (g) the 2015 Holmes Community College Project in the amount of One Million Dollars (\$1,000,000), (h) the Community Heritage Preservation Grant Fund in the amount of Two Million Dollars (\$2,000,000), (i) the 2016 Mississippi Arts and Entertainment Project in the amount of Ten Million Dollars (\$10,000,000), (j) the 2014 City of Madison I-55 Connector Construction Project in the amount of One Million Dollars (\$1,000,000), (k) the 2016 City of Terry Historic Preservation Project in the amount of One Hundred

Fifty Thousand (\$150,000), (l) the 2016 Mt. Olive Park Improvements Project in the amount of Fifty Thousand Dollars (\$50,000), (m) the 2016 Natchez Seminary Repair and Renovation Project in the amount of Four Hundred Thousand Dollars (\$400,000), and (n) the costs of issuance of the Series 2017D Bonds; and

WHEREAS, funds are not otherwise available for the purposes for which the Series 2017D Bonds are to be issued, and it has now become advisable that the Commission proceed to make provision for the preparation, execution, issuance, sale, and delivery of the Series 2017D Bonds; and

WHEREAS, the issuance of the Series 2017D Bonds does not exceed any statutory or constitutional limitation; and

WHEREAS, the Series 2017D Bonds are being issued contemporaneously with the not to exceed Forty-Five Million Five Hundred Thousand Dollars (\$45,500,000) State of Mississippi Taxable General Obligation Bonds, Series 2017E; and

WHEREAS, by resolution dated October 17, 2017, the Commission (a) designated Jones Walker, LLP, Jackson, Mississippi, as bond counsel ("Bond Counsel") in connection with the Series 2017D Bonds and (b) designated Hilltop Securities, Inc., Dallas, Texas, to serve as the Independent Registered Municipal Advisor to the State (the "Financial Advisor") in connection with the Series 2017D Bonds; and

WHEREAS, there has been prepared and submitted to this meeting, the form of the Preliminary Official Statement, in substantially the form attached hereto as **Exhibit A** (the "Preliminary Official Statement"), describing the Series 2017D Bonds, the State, and the Projects, said Preliminary Official Statement including a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"), in the form attached as "Appendix C" to the Preliminary Official Statement, setting forth the State's agreement with regard to continuing disclosure, and said Preliminary Official Statement including an Official Notice of Bond Sale (the "Notice of Sale"), in the form attached as "Appendix G" to the Preliminary Official Statement, setting for the parameters of the State's acceptance of bids for the Series 2017D Bonds; and

WHEREAS, the Commission finds that the publication of the Notice of Sale at least two (2) times in the *Clarion-Ledger*, a newspaper published in and of general circulation in the City of Jackson in the State, is advisable, the first publication thereof to be made at least ten (10) days preceding the date fixed for the receipt of bids, said Notice of Sale being in substantially the form attached as "Appendix G" to the Preliminary Official Statement; and

WHEREAS, the Commission finds that the requirement of a "good faith deposit" is advisable, based upon further deliberation by the Representatives (as hereinafter defined); and

WHEREAS, it appears that each of the documents referred to above, which documents are now before the Commission, is in appropriate form and is an appropriate document for the purpose identified; and

WHEREAS, it is advisable and in the public interest to authorize the Representatives (as hereinafter defined) to arrange for a bond rating for the Series 2017D Bonds; and

WHEREAS, all conditions, acts, and things required by the Acts and the Constitution and laws of the State to have existed, to have happened, and to have been performed precedent to and in connection with the adoption of this resolution, the sale and issuance of the Series 2017D Bonds, and the preparation and distribution of the Preliminary Official Statement, have happened and have been performed in regular and due time, form, and manner as required by law; and

WHEREAS, it is proposed that the Commission should take all such additional actions, authorize the execution of such documents and certificates, and authorize such other actions and proceedings as shall be necessary in connection with the sale and issuance of the Series 2017D Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION, AS FOLLOWS:

SECTION 1. Each and all of the facts and findings set forth in the premises clauses of this resolution are hereby found and determined to be true and accurate and are incorporated herein by this reference thereto as though set forth again in words and figures.

SECTION 2. The Commission hereby ratifies and confirms the actions of the State Treasurer of the State (the "State Treasurer") and the Executive Director of the Mississippi Department of Finance and Administration (the "Executive Director" of the "DFA"), and their respective staffs, and a representative of the Attorney General of the State (collectively, the "Representatives"), in connection with the prior actions taken in connection with the sale and issuance of the Series 2017D Bonds, including, but not limited to, the offer for sale of the Series 2017D Bonds and the preparation of the Preliminary Official Statement.

SECTION 3. Proceeding under the authority of the Acts, there shall be and there are hereby authorized and directed to be issued General Obligation Bonds, Series 2017D, of the State, in an aggregate principal amount of not to exceed Fifty-Four Million Five Hundred Thousand Dollars (\$54,500,000) (the "Series 2017D Bonds").

SECTION 4. The Series 2017D Bonds are being issued for the purpose of financing the costs of the Projects and the payment of costs incident to the sale, issuance, and delivery of the Series 2017D Bonds.

SECTION 5. Pursuant to the Acts, the Series 2017D Bonds shall be general obligations of the State, and the full faith and credit of the State are hereby pledged to secure the payment of the principal of and interest on the Series 2017D Bonds as they become due. If the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017D Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

SECTION 6. The Series 2017D Bonds shall be payable, both as to principal and interest, from the Series 2017D Bond and Interest Fund (as defined hereinafter), the Mississippi Major Economic Impact Authority Sinking Fund (the "MMEIA Sinking Fund"), and from appropriations from the State's General Fund made pursuant to the Acts.

SECTION 7. The Series 2017D Bonds shall be registered as to both principal and interest; shall be dated their date of delivery; shall be issued in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity; shall be numbered from one (1) upward in the order of issuance; shall bear interest from the date thereof at the rate or rates specified by further order of the Commission, payable on December 1, 2018, and semiannually thereafter each year; and shall mature and become due and payable, with option of prior payment, on December 1 of each year for a term not to exceed twenty (20) years from the date of issuance of the Series 2017D Bonds.

SECTION 8. The Series 2017D Bonds maturing after December 1, 2027, will be subject to optional redemption prior to their respective maturities on or after December 1, 2027, either in whole or in part on any date (as selected by the State among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium. For Series 2017D Bonds held in the book-entry system, if less

than all of the Series 2017D Bonds shall be called for redemption, the State shall notify DTC (as hereinafter defined) that the redemption shall be by lot in whole multiples of \$5,000. While DTC is the registered owner of the Series 2017D Bonds, partial redemptions (including any sinking fund payments) of the Series 2017D Bonds of a particular maturity will be determined in accordance with DTC's procedures as in effect at the time of any such partial redemption. For Series 2017D Bonds, not Held in book-entry system, if less than all of the Series 2017D Bonds subject to redemption are called for redemption, the Paying and Transfer Agent (as hereinafter defined) shall select the Series 2017D Bonds to be redeemed from the outstanding Series 2017D Bonds subject to redemption and not previously called for redemption, by lot in any manner deemed reasonable by the Paying and Transfer Agent, provided that the unredeemed portion of the principal amount of any Series 2017D Bond shall be not less than \$5,000. Notice of the call for any redemption (which may be a conditional notice), identifying the Series 2017D Bonds (or any portions thereof in authorized denominations) to be redeemed, will be given by the State at least 30 days but not more than 45 days prior to the date fixed for redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Series 2017D Bond to be redeemed at the address shown on the records of the Paying and Transfer Agent. Failure to mail such notice to any particular owner of Series 2017D Bonds, or any defect in the notice mailed to any such owner of Series 2017D Bonds, will not affect the validity of any proceeding for the redemption of any other Series 2017D Bonds. So long as DTC or its nominee is the registered owner of the Series 2017D Bonds, notice of the call for any redemption will be given to DTC, and not directly to Beneficial Owners.

SECTION 9. The Series 2017D Bonds shall not bear an overall maximum interest rate to maturity greater than eleven percent (11%) per annum as allowed by Section 75-17-101, Mississippi Code of 1972, as amended. Interest on the Series 2017D Bonds shall be computed on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

SECTION 10. The Series 2017D Bonds shall be initially issued and held under a book-entry system as fully registered bonds in the denominations of \$5,000 or any integral multiple thereof, as more fully described in "Appendix F" to the Preliminary Official Statement.

SECTION 11. (a) Notwithstanding anything to the contrary in this resolution, so long as the Series 2017D Bonds are being held under a book-entry system, transfers of beneficial ownership of the Series 2017D Bonds will be effected pursuant to rules and procedures established by the Securities Depository. For purposes of this resolution, "Securities Depository" shall mean a recognized securities depository (or its successor or substitute) selected by the State to act as the securities depository maintaining a book-entry transfer system for the Series 2017D Bonds.

(b) As long as a book-entry system is in effect for the Series 2017D Bonds, the Securities Depository Nominee will be recognized as the registered owner of the Series 2017D Bonds for the purpose of (1) paying the principal of or interest on such Series 2017D Bonds, (2) giving any notice permitted or required to be given to registered owners of the Series 2017D Bonds under this resolution, (3) registering the transfer of such Series 2017D Bonds, and (4) requesting any consent or other action to be taken by the registered owners of such Series 2017D Bonds, and for all other purposes whatsoever, and neither the State nor the State Treasurer, as the paying agent, registrar, and transfer agent for the Series 2017D Bonds (the "Paying and Transfer Agent"), shall be affected by any notice to the contrary. For the purposes of this resolution, "Securities Depository Nominee" shall mean, with respect to the Series 2017D Bonds and as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name the Series 2017D Bonds shall be registered on the registration books of the State maintained by the Paying and Transfer Agent pursuant to Section 22 hereof during

the time such Series 2017D Bonds are held under a book-entry system through such Securities Depository.

(c) Neither the State nor the Paying and Transfer Agent shall have any responsibility or obligation to any participant, any beneficial owner, or any other person claiming a beneficial ownership in any Series 2017D Bonds which are registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as registered owner of such Series 2017D Bonds.

(d) The Paying and Transfer Agent shall pay all principal of and interest on the Series 2017D Bonds issued under the book-entry system, only to the Securities Depository, or the Securities Depository Nominee, as the case may be, for such Series 2017D Bonds, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of and interest on such Series 2017D Bonds.

(e) In the event that the Commission determines that it is in the best interest of the State to discontinue the book-entry system of transfer for the Series 2017D Bonds, or that the interests of the beneficial owners of the Series 2017D Bonds may be adversely affected if the book-entry system is continued, then the State shall notify the Securities Depository and the Paying and Transfer Agent of such determination. In such event, the State shall execute and the Paying and Transfer Agent shall, pursuant to subsequent resolution of the Commission, authenticate, register, and deliver physical certificates for the Series 2017D Bonds in exchange for the Series 2017D Bonds registered in the name of the Securities Depository. Such certificates shall be in fully registered form and transferable only upon the registration books of the State maintained by the Paying and Transfer Agent, by the registered owner thereof or by such registered owner's attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent, duly executed by the registered owner or such registered owner's duly authorized attorney in accordance with this resolution.

(f) In the event that the Securities Depository for the Series 2017D Bonds discontinues providing its services, the Commission shall either engage the services of another Securities Depository or deliver physical certificates in the manner described in subparagraph (e) above.

(g) In connection with any notice or other communication to be provided to the registered owners of the Series 2017D Bonds by the State or by the Paying and Transfer Agent with respect to any consent or other action to be taken by the registered owners, the Commission or the Paying and Transfer Agent, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

(h) The Series 2017D Bonds shall be issued initially under the book-entry system maintained by the Depository Trust Company, New York, New York ("DTC") and shall be registered in the name of Cede & Co., as the initial Securities Depository Nominee for the Series 2017D Bonds. As long as the Series 2017D Bonds are maintained by DTC under its book-entry system, all payments with respect to the principal of and interest on the Series 2017D Bonds and notices shall be made and given to DTC.

SECTION 12. The principal of the Series 2017D Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof as the same shall become due at the office of Paying and Transfer Agent in Jackson, Mississippi. Subject to the provisions of Section 6 hereof, interest will be payable by check or draft drawn upon the State, made payable to the registered owner named in, and mailed to the address of the registered owner as it shall appear on the registration books of the State for the Series 2017D Bonds maintained by the

Paying and Transfer Agent pursuant to the provisions of Section 22 hereof. The State and the Paying and Transfer Agent may deem and treat the registered owners of the Series 2017D Bonds as the absolute owners for the purposes of receiving payment of or on account of principal of and interest on the Series 2017D Bonds and for all other purposes and neither the State or the Paying and Transfer Agent shall be affected by any notice to the contrary. The State Treasurer is hereby designated as the Paying and Transfer Agent for the Series 2017D Bonds.

SECTION 13. The Preliminary Official Statement, in the form attached hereto as **Exhibit A**, and the preparation thereof by the Representatives and Bond Counsel is hereby approved. The Commission deems the Preliminary Official Statement to be "final" as required by Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(1). The Representatives are hereby authorized and directed to distribute the Preliminary Official Statement with such changes, insertions, and omissions as may be approved by the Representatives, said distribution being conclusive evidence of such approval.

SECTION 14. Each Member of the Commission (an "Authorized Officer") is hereby authorized and directed to prepare, execute, and distribute a final Official Statement in connection with the Series 2017D Bonds substantially in the form of the Preliminary Official Statement, with such changes, omissions, insertions, and revisions to and from the Preliminary Official Statement as they shall deem necessary and approve, said execution being conclusive evidence of such approval, and to deliver such Official Statement to the purchasers of the Series 2017D Bonds.

SECTION 15. (a) Pursuant to the Mississippi Major Economic Impact Act and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature, Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the account for the Continental Project (the "Continental Account") previously established in the Mississippi Major Economic Impact Authority Fund (the "MMEIA Fund") created under the Mississippi Major Economic Impact Act and applied for the purposes described in this resolution and in accordance with Mississippi Major Economic Impact Act, including, without limitation, refinancing of the Series 2016A Note. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the Mississippi Major Economic Impact Act, any and all investment earnings thereon shall be deposited in the MMEIA Sinking Fund established by the Mississippi Major Economic Impact Act and prior resolutions of the Commission and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the Mississippi Major Economic Impact Act and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature for the Continental Project shall be paid by the State Treasurer upon warrants drawn from the Continental Account issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of MMEIA or such officer's designee. Promptly after the Commission has certified by resolution that the Continental Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the MMEIA Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Internal Revenue Code of 1986, as amended (the "Code").

(b) Pursuant to the 2016 Mississippi State Fairgrounds Improvement Act, Ten Million Dollars (\$10,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2016 Mississippi State Fairgrounds Improvement Fund (the "2016 Mississippi State Fairgrounds Improvement Fund") created under the provisions of the 2016 Mississippi State Fairgrounds Improvement Act and applied for the purposes described in this resolution and in accordance with the 2016 Mississippi State Fairgrounds Improvement Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2016 Mississippi State Fairgrounds Improvement Act, any and

all investment earnings thereon shall be deposited to the credit of the 2016 Mississippi State Fairgrounds Improvement Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2016 Mississippi State Fairgrounds Improvement Act shall be paid by the State Treasurer upon warrants drawn from the 2016 Mississippi State Fairgrounds Improvement Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2016 Mississippi State Fairgrounds Improvement Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2016 Mississippi State Fairgrounds Improvement Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(c) Pursuant to the 2015 IHL Capital Improvements Act, Five Million Dollars (\$5,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2015 IHL Capital Improvements Fund (the "2015 IHL Capital Improvements Fund") created under the provisions of the 2015 IHL Capital Improvements Act and applied for the purposes described in this resolution and in accordance with the 2015 IHL Capital Improvements Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2015 IHL Capital Improvements Act, any and all investment earnings thereon shall be deposited to the credit of the 2015 IHL Capital Improvements Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2015 IHL Capital Improvements Act shall be paid by the State Treasurer upon warrants drawn from the 2015 IHL Capital Improvements Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2015 Alcorn State Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2015 IHL Capital Improvements Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(d) Pursuant to the 2016 IHL Capital Improvements Act, Five Million Dollars (\$5,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2016 IHL Capital Improvements Fund (the "2016 IHL Capital Improvements Fund") created under the provisions of the 2016 IHL Capital Improvements Act and applied for the purposes described in this resolution and in accordance with the 2016 IHL Capital Improvements Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2016 IHL Capital Improvements Act, any and all investment earnings thereon shall be deposited to the credit of the 2016 IHL Capital Improvements Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2016 IHL Capital Improvements Act shall be paid by the State Treasurer upon warrants drawn from the 2016 IHL Capital Improvements Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2016 IHL Capital Improvements Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2016 IHL Capital Improvements Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(e) Pursuant to the 2016 IHL Additional Capital Improvements Act, Twelve Million Dollars (\$12,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2016 IHL Additional Capital Improvements Fund (the "2016 IHL Additional Capital Improvements Fund") created under the provisions of the 2016 IHL Additional Capital Improvements Act and applied for the purposes described in

this resolution and in accordance with the 2016 IHL Additional Capital Improvements Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2016 IHL Additional Capital Improvements Act, any and all investment earnings thereon shall be deposited to the credit of the 2016 IHL Additional Capital Improvements Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2016 IHL Additional Capital Improvements Act shall be paid by the State Treasurer upon warrants drawn from the 2016 IHL Additional Capital Improvements Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2016 IHL Additional Capital Improvements Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2016 IHL Additional Capital Improvements Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(f) Pursuant to the 2016 Partnership School Construction Act, Five Million Dollars (\$5,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2016 Partnership School Construction Fund (the "2016 Partnership School Construction Fund") created under the provisions of the 2016 Partnership School Construction Act and applied for the purposes described in this resolution and in accordance with the 2016 Partnership School Construction Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2016 Partnership School Construction Act, any and all investment earnings thereon shall be deposited to the credit of the 2016 Partnership School Construction Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2016 Partnership School Construction Act shall be paid by the State Treasurer upon warrants drawn from the 2016 Partnership School Construction Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2016 Partnership School Construction Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2016 Partnership School Construction Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(g) Pursuant to the 2015 Community and Junior Colleges Capital Improvements Act, One Million Dollars (\$1,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2015 Community and Junior Colleges Capital Improvements Fund (the "2015 Community and Junior Colleges Capital Improvements Fund") created under the provisions of the 2015 Community and Junior Colleges Capital Improvements Act and applied for the purposes described in this resolution and in accordance with the 2015 Community and Junior Colleges Capital Improvements Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2015 Community and Junior Colleges Capital Improvements Act, any and all investment earnings thereon shall be deposited to the credit of the 2015 Community and Junior Colleges Capital Improvements Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2015 Community and Junior Colleges Capital Improvements Act shall be paid by the State Treasurer upon warrants drawn from the 2015 Community and Junior Colleges Capital Improvements Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2015 Holmes Community College Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2015 Community and Junior Colleges Capital Improvements Fund for such completed, abandoned, or

uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(h) Pursuant to the Mississippi Community Heritage Preservation Grant Act, Two Million Dollars (\$2,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the Mississippi Community Heritage Preservation Grant Fund (the "Mississippi Community Heritage Preservation Grant Fund") created under the provisions of the Mississippi Community Heritage Preservation Grant Act and applied for the purposes described in this resolution and in accordance with the Mississippi Community Heritage Preservation Grant Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the Mississippi Community Heritage Preservation Grant Act, any and all investment earnings thereon shall be deposited to the credit of the Mississippi Community Heritage Preservation Grant Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the Mississippi Community Heritage Preservation Grant Act shall be paid by the State Treasurer upon warrants drawn from the Mississippi Community Heritage Preservation Grant Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the Mississippi Community Heritage Preservation Grant Fund has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the Mississippi Community Heritage Preservation Grant Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(i) Pursuant to the 2016 Mississippi Arts and Entertainment Act, Ten Million Dollars (\$10,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2016 Mississippi Arts and Entertainment Fund (the "2016 Mississippi Arts and Entertainment Fund") created under the provisions of the 2016 Mississippi Arts and Entertainment Act and applied for the purposes described in this resolution and in accordance with the 2016 Mississippi Arts and Entertainment Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2016 Mississippi Arts and Entertainment Act, any and all investment earnings thereon shall be deposited to the credit of the 2016 Mississippi Arts and Entertainment Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2016 Mississippi Arts and Entertainment Act shall be paid by the State Treasurer upon warrants drawn from the 2016 Mississippi Arts and Entertainment Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2016 Mississippi Arts and Entertainment Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2016 Mississippi Arts and Entertainment Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(j) Pursuant to the 2014 City of Madison I-55 Connector Construction Act, the 2014 City of Madison I-55 Connector Construction Project is approved and One Million Dollars (\$1,000,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2014 City of Madison I-55 Connector Construction Fund (the "2014 City of Madison I-55 Connector Construction Fund") created under the provisions of the 2014 City of Madison I-55 Connector Construction Act and applied for the purposes described in this resolution and in accordance with the 2014 City of Madison I-55 Connector Construction Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2014 City of Madison I-55 Connector Construction Act, any and all investment earnings thereon shall be deposited to the credit of the 2014 City of Madison I-55 Connector Construction Fund and used to pay debt

service on the Series 2017D Bonds. Expenditures authorized by the 2014 City of Madison I-55 Connector Construction Act shall be paid by the State Treasurer upon warrants drawn from the 2014 City of Madison I-55 Connector Construction Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2014 City of Madison I-55 Connector Construction Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2014 City of Madison I-55 Connector Construction Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(k) Pursuant to the 2016 City of Terry Historic Preservation Act, One Hundred Fifty Thousand Dollars (\$150,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2016 City of Terry Historic Preservation Fund (the "2016 City of Terry Historic Preservation Fund") created under the provisions of the 2016 City of Terry Historic Preservation Act and applied for the purposes described in this resolution and in accordance with the 2016 City of Terry Historic Preservation Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2016 City of Terry Historic Preservation Act, any and all investment earnings thereon shall be deposited to the credit of the 2016 City of Terry Historic Preservation Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2016 City of Terry Historic Preservation Act shall be paid by the State Treasurer upon warrants drawn from the 2016 City of Terry Historic Preservation Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2016 City of Terry Historic Preservation Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2016 City of Terry Historic Preservation Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(l) Pursuant to the 2016 Mt. Olive Park Improvements Act, Fifty Thousand Dollars (\$50,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2016 Mt. Olive Park Improvements Fund (the "2016 Mt. Olive Park Improvements Fund") created under the provisions of the 2016 Mt. Olive Park Improvements Act and applied for the purposes described in this resolution and in accordance with the 2016 Mt. Olive Park Improvements Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2016 Mt. Olive Park Improvements Act, any and all investment earnings thereon shall be deposited to the credit of the 2016 Mt. Olive Park Improvements Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2016 Mt. Olive Park Improvements Act shall be paid by the State Treasurer upon warrants drawn from the 2016 Mt. Olive Park Improvements Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2016 Mt. Olive Park Improvements Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2016 Mt. Olive Park Improvements Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

(m) Pursuant to the 2016 Natchez Seminary Repair and Renovation Act, Four Hundred Thousand Dollars (\$400,000) of the monies received pursuant to the issuance of the Series 2017D Bonds shall be deposited with the State Treasury in the 2016 Natchez Seminary Repair and Renovation Fund (the "2016 Natchez Seminary Repair and Renovation Fund") created under the provisions of the 2016

Natchez Seminary Repair and Renovation Act and applied for the purposes described in this resolution and in accordance with the 2016 Natchez Seminary Repair and Renovation Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the 2016 Natchez Seminary Repair and Renovation Act, any and all investment earnings thereon shall be deposited to the credit of the 2016 Natchez Seminary Repair and Renovation Fund and used to pay debt service on the Series 2017D Bonds. Expenditures authorized by the 2016 Natchez Seminary Repair and Renovation Act shall be paid by the State Treasurer upon warrants drawn from the 2016 Natchez Seminary Repair and Renovation Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of DFA or such officer's designee. Promptly after the Commission has certified by resolution that the 2016 Natchez Seminary Repair and Renovation Project has been completed, abandoned, or cannot be completed in a timely fashion, any amount remaining in the 2016 Natchez Seminary Repair and Renovation Fund for such completed, abandoned, or uncompleted project shall be applied to pay debt service on the Series 2017D Bonds to the extent allowed by the Code.

SECTION 16. There is hereby created in the State Treasury a special fund, separate and apart from any other funds of the State, including the General Fund, to be designated as the "Series 2017D Bond and Interest Fund" which will be used, in addition to other funds of the State, to pay the principal of and interest on the Series 2017D Bonds. There shall be deposited into the Series 2017D Bond and Interest Fund as and when received (a) the accrued interest and premium, if any, received upon delivery of the Series 2017D Bonds, (b) any income received from investment of monies in the Series 2017D Bond and Interest Fund, and (c) any other funds which may be lawfully used for payment of the principal of and interest on the Series 2017D Bonds, including, but not limited to, investment earnings from the other funds and accounts of the State as provided herein; provided, however, such Series 2017D Bond and Interest Fund shall at all times be in compliance with the Code. Nothing in Sections 15 and 16 shall prohibit the Commission from using all or a portion of any premium derived from the sale of the Series 2017D Bonds to pay the costs of the sale and issuance of the Series 2017D Bonds.

SECTION 17. If the Series 2017D Bonds are sold with net original issue discount, the amounts to be deposited in accordance with Section 15 shall be reduced on a pro rata basis determined by the amount of said net original issue discount.

SECTION 18. The State covenants to comply with each requirement of the Code necessary to maintain the exclusion of interest on the Series 2017D Bonds from gross income for federal income tax purposes, and in furtherance thereof, to comply with a certificate of the State Treasurer to be executed and delivered concurrently with the issuance of the Series 2017D Bonds, or such other covenants as may, from time to time, be required to be complied with in order to maintain the exclusion of interest on the Series 2017D Bonds from gross income for federal income tax purposes. The State shall not use or permit the use of any of the proceeds of the Series 2017D Bonds, or any other funds of the State, directly or indirectly, to acquire any securities, obligations, or other investment property, and shall not take or permit to be taken any other action or actions, which would cause any Series 2017D Bond to be an "arbitrage bond" as defined in Section 148 of the Code. Notwithstanding any other provisions to the contrary, so long as necessary in order to maintain the exclusion of interest on the Series 2017D Bonds from gross income for federal income tax purposes under the Code, the covenants contained in this Section shall survive the payment of the Series 2017D Bonds and the interest thereon, including any payment or defeasance thereof. Pursuant to the Acts, the interest on the Series 2017D Bonds is exempt from State income taxes.

SECTION 19. Pursuant to SEC Rule 15c2-12(b)(5), the State covenants and agrees to execute the Continuing Disclosure Certificate, in substantially the form attached as "Appendix C" to the Preliminary Official Statement, and to

comply with the covenants set forth therein and carry out all of the provisions of the Continuing Disclosure Certificate. In the event the State fails to comply with the provisions of the Continuing Disclosure Certificate, any bondholder may take such actions as may be necessary and appropriate, including mandate or specific performance by court order, to cause the State to comply with its obligations set forth in the Continuing Disclosure Certificate and this Section 19.

SECTION 20. Pursuant to the authority granted by the Acts and the Registered Bond Act, being Section 31-21-1 *et seq.*, Mississippi Code of 1972, as amended (the "Registered Bond Act"), the Series 2017D Bonds shall be executed by the manual or facsimile signatures of the Governor of the State and Ex Officio Chairman of the Commission and the State Treasurer and Ex Officio member of the Commission and the official seal of the Commission shall be affixed or lithographed or otherwise reproduced thereon, attested by the manual or facsimile signature of the Attorney General of the State and Ex Officio Secretary of the Commission and the Series 2017D Bonds shall be authenticated by the Paying and Transfer Agent. The Paying and Transfer Agent shall authenticate each Series 2017D Bond by executing the Paying and Transfer Agent's Certificate thereon. No Series 2017D Bond shall be valid or become obligatory for any purpose until such certificate shall have been duly executed by the Paying and Transfer Agent. Such certificate, when duly executed on behalf of the State, shall be conclusive evidence that the Series 2017D Bond so authenticated has been duly authenticated and delivered. The validation certificate, for which provision is hereinafter made, to appear on each Series 2017D Bond, shall be executed by the Attorney General of the State and Ex Officio Secretary of the Commission, and the said certificate may be executed by the manual or facsimile signature of the Attorney General of the State as Ex Officio Secretary of the Commission.

SECTION 21. The form of the Series 2017D Bonds, the certificates to appear on the Series 2017D Bonds, and the Paying and Transfer Agent's Certificate shall be in substantially the following forms, and the State Treasurer be and is hereby authorized and directed to make such changes, insertions, and omissions therein as may in her opinion be required:

[FORM OF SERIES 2017D BOND]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE PAYING AND TRANSFER AGENT (AS HEREINAFTER DEFINED) FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

Number D-_____

\$_____

**UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
GENERAL OBLIGATION BOND
SERIES 2017D**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	_____	_____	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL SUM: _____

THE STATE OF MISSISSIPPI (the "State") hereby acknowledges itself indebted and for value received hereby promises to pay to the registered owner named above or registered assigns, on the maturity date stated above, upon presentation and surrender of this Bond at the Office of the State Treasurer in the City of Jackson, Mississippi (the State Treasurer and any bank appointed as successor thereto hereinafter called collectively, the "Paying and Transfer Agent"), the principal sum stated hereon in lawful money of the United States of America, and to pay to the registered owner hereof or registered assigns interest on such principal sum, in like money, from the dated date of this Bond until the maturity date hereof, at the interest rate per annum stated hereon, payable on the first day of _____ and _____ of each year, commencing _____ 1, 20____, by check or draft drawn upon the Paying and Transfer Agent, made payable to the registered owner named in, and mailed to the address of the registered owner as it shall appear on the registration books held by the Paying and Transfer Agent as of the close of business on the date which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding each interest payment date. Interest on this Bond will be computed on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

This Bond is one of an authorized issue of general obligation bonds (the "Series 2017D Bonds") of like date, tenor and effect, except as to rate of interest and date of maturity, aggregating the principal sum of _____ Dollars (\$ _____), issued by the State pursuant to and in conformity with the Constitution and statutes of the State, including, among others, the Acts (as hereinafter defined), and a resolution duly adopted by the State Bond Commission of the State (the "Commission") on _____, 20____ (the "Resolution"), for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds, all as authorized under the Acts and the Resolution. Reference is hereby made to the Resolution, copies of which are on file at the Office of the State Treasurer in Jackson, Mississippi, to all of the provisions of which the registered owner hereof assents by acceptance of this Bond.

This Bond is issued pursuant to Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; pursuant to the provisions of Section 5 of House Bill 1729 of the 2016 Regular Session of the State Legislature, (the "2016 Mississippi State Fairgrounds Improvement Act"); pursuant to Section 1 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 IHL Capital Improvements Act"); pursuant to Sections 1 and 2 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Capital Improvements Act"); pursuant to Section 14 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Partnership School Construction Act"); pursuant to Section 2 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 Community

and Junior Colleges Capital Improvements Act"); pursuant to Section 39-5-145, Mississippi Code of 1972, as amended, including, but not limited to, Sections 24 and 25 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "Mississippi Community Heritage Preservation Grant Act"); pursuant to Section 13 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mississippi Arts and Entertainment Act"); pursuant to Section 33 of House Bill 787 of the 2014 Regular Session of the State Legislature (the "2014 City of Madison I-55 Connector Construction Act"); pursuant to Section 31 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 City of Terry Historic Preservation Act"); pursuant to Section 47 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mount Olive Park Improvements Act"); pursuant to Section 74 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Natchez Seminary Repair and Renovation Act") (collectively, the "Acts").

Pursuant to the Acts, this Bond constitutes a general obligation of the State, and for the payment thereof, the State has irrevocably pledged the full faith and credit of the State. The Acts provides that if the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017D Bonds as the same become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

This Bond and the interest hereon are payable from the Series 2017D Bond and Interest Fund and the Mississippi Major Economic Impact Authority Sinking Fund established in the State Treasury, and from appropriations from the State's General Fund, by the provisions of the Resolution and the Acts.

This Bond is transferable only upon the books maintained for that purpose at the Office of the State Treasurer upon surrender at said office, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent duly executed by the registered owner or its authorized attorney, and thereupon a new bond or bonds of like series, maturity, interest rate and aggregate principal amount shall be issued to the transferee. In like manner, this Bond may be exchanged for an equal aggregate principal amount of Bonds of any other authorized denominations. The Series 2017D Bonds are issuable in the authorized denominations of \$5,000 or any integral multiple thereof. The issuance, transfer, exchange and replacement of the Series 2017D Bonds of this issue and other similar matters are governed by conditions on file at the Office of the State Treasurer.

The Series 2017D Bonds maturing after December 1, 2027, will be subject to optional redemption prior to their respective maturities on or after December 1, 2027, either in whole or in part on any date (as selected by the State among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium. For Series 2017D Bonds held in the book-entry system, if less than all of the Series 2017D Bonds shall be called for redemption, the State shall notify DTC (as hereinafter defined) that the redemption shall be by lot in whole multiples of \$5,000. While DTC is the registered owner of the Series 2017D Bonds, partial redemptions (including any sinking fund payments) of the Series 2017D Bonds of a particular maturity will be determined in accordance with DTC's procedures as in effect at the time of any such partial redemption. For Series 2017D Bonds, not Held in book-entry system, if less than all of the Series 2017D Bonds subject to redemption are called for redemption, the Paying and Transfer Agent (as hereinafter defined) shall select the Series 2017D Bonds to be redeemed from the outstanding Series 2017D Bonds subject to redemption and not previously called for redemption, by lot in any manner deemed reasonable by the Paying and Transfer Agent, provided that the unredeemed portion of the principal amount of any Series 2017D Bond shall be not less than \$5,000. Notice of the call for any redemption (which may be a conditional notice), identifying the Series 2017D Bonds (or any portions thereof in authorized denominations) to be redeemed, will

be given by the State at least 30 days but not more than 45 days prior to the date fixed for redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Series 2017D Bond to be redeemed at the address shown on the records of the Paying and Transfer Agent. Failure to mail such notice to any particular owner of Series 2017D Bonds, or any defect in the notice mailed to any such owner of Series 2017D Bonds, will not affect the validity of any proceeding for the redemption of any other Series 2017D Bonds. So long as DTC or its nominee is the registered owner of the Series 2017D Bonds, notice of the call for any redemption will be given to DTC, and not directly to Beneficial Owners.

Bonds for the payment of which sufficient moneys, or, to the extent permitted by the laws of the State, (a) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America or any of its agencies ("Government Obligations"), or (b) certificates of deposit or municipal obligations fully secured by Government Obligations, or (c) evidences of ownership of proportionate interests in future interest or principal payments on Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the Government Obligations and which Government Obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated, or (d) municipal obligations, the payment of the principal of, interest and redemption premium, if any, on which are irrevocably secured by Government Obligations and which Government Obligations are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and have been deposited in an escrow account which is irrevocably pledged to the payment of the principal of and interest and redemption premium, if any, on such municipal obligations (all of which collectively, with Government Obligations, "Defeasance Securities"), shall have been deposited with an escrow agent appointed for such purpose, which may be the Paying and Transfer Agent, all to the extent provided in the Resolution, shall be deemed to have been paid, shall cease to be entitled to any lien, benefit or security under the Resolution and shall no longer be deemed to be outstanding thereunder, and the registered owners shall have no rights in respect thereof except to receive payment of the principal of and interest on such Bonds from the funds held for that purpose. Defeasance Securities shall be considered sufficient under the Resolution if said investments, with interest, mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due on such Bonds.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all acts, conditions, and things required to exist, happen, and to be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form, and manner as required by law, and that the issuance of this Bond and the issue of which it forms a part, together with all other obligations of the State, does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Paying and Transfer Agent of the Paying and Transfer Agent's Certificate hereon.

The State and the Paying and Transfer Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the State nor the Paying and Transfer Agent shall be affected by any notice to the contrary.

IN WITNESS WHEREOF, the State of Mississippi, acting by and through its State Bond Commission, has caused this Bond to be executed in its name by the manual or facsimile signatures of the Governor of the State of Mississippi and Ex

Officio Chairman of the State Bond Commission and the Treasurer of the State of Mississippi and Ex Officio member of the State Bond Commission, and has caused the official seal of the State Bond Commission to be affixed hereto, attested by the manual or facsimile signature of the Attorney General of the State of Mississippi and Ex Officio Secretary of the State Bond Commission.

(State Bond Commission Seal)

STATE OF MISSISSIPPI

By _____
Governor

By _____
State Treasurer

ATTEST:

Attorney General

PAYING AND TRANSFER AGENT'S CERTIFICATE

This Bond is one of the Series 2017D Bonds of the above-designated issue delivered in accordance with the terms of the within mentioned Resolution.

State Treasurer, as Paying and
Transfer Agent

Date of Registration and Authentication: _____

VALIDATION CERTIFICATE

**STATE OF MISSISSIPPI
HINDS COUNTY**

I, Jim Hood, Attorney General of the State of Mississippi and Ex Officio Secretary of the State Bond Commission of the State of Mississippi, do hereby certify that the issuance of the Series 2017D Bonds of which the within Bond is one has been validated and confirmed by decree of the Chancery Court of the First Judicial District of Hinds County, Mississippi, rendered on the ____ day of _____, 20__.

Attorney General

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____ as registrar and transfer agent to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Signature guaranteed:

(Bank, Trust Company or Paying Agent)

(Authorized Officer)

Date of Assignment: _____

Insert Social Security Number or other Tax
Identification Number of Assignee

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without any alteration whatever, and must be guaranteed by a commercial bank or trust company or a member of a national securities exchange who is a member of a Medallion Signature Guarantee Program.

[END OF FORM OF SERIES 2017D BOND]

SECTION 22. The Commission hereby adopts, pursuant to the authority granted by the Acts and the Registered Bond Act and subject to the provisions of Section 6 hereof, the following conditions which are to apply to the issuance, transfer, exchange and replacement of the Series 2017D Bonds and referred to below as the "bonds" or the "bond," and other similar matters:

**CONDITIONS AS TO THE ISSUANCE, TRANSFER, EXCHANGE
AND REPLACEMENT OF THE SERIES 2017D BONDS**

"Paying and Transfer Agent" as used in these Conditions means the State Treasurer or the bank or banks designated by action of the Commission as the Paying and Transfer Agent with respect to such bonds and whose duties and responsibilities shall be as further limited or set forth in the form of bond for such bonds.

The terms and provisions of this Section 22 shall be subject to the terms and provisions of Section 6 of this resolution. The principal of all bonds shall be payable at the office of the Paying and Transfer Agent, and payment of the interest on each bond shall be made by the Paying and Transfer Agent on each interest payment date to the person appearing on the registration books of the State (hereinafter provided for) as the registered owner thereof as of the close of business on the date which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding such interest payment date, by check or draft mailed to such registered owner at such registered owner's address as it appears on such registration books. Payment of the principal of all bonds shall be made upon the presentation and surrender for cancellation of such bonds as the same shall become due and payable.

Bonds, upon surrender thereof at said office of the Paying and Transfer Agent with a written instrument of transfer satisfactory to such Paying and Transfer Agent duly executed by the registered owner or such registered owner's authorized attorney, may be exchanged for bonds of like maturity and interest rate of any other authorized denominations. Each such bond shall be dated as of the date six (6) months preceding the interest payment date thereon next following the date of delivery of such bond in registered form, unless such date of delivery shall be an interest payment date in which case it shall be dated as of such date of

delivery, and every such bond in registered form shall bear interest from its date.

So long as the bonds shall remain outstanding, the State shall cause the Paying and Transfer Agent to maintain and keep, at the office of the Paying and Transfer Agent, registration books for the registration and transfer of bonds, and, upon presentation thereof for such purpose at such office, the State shall cause the Paying and Transfer Agent to register or cause to be registered thereon, and permit to be transferred thereon, under such reasonable regulations as the State Treasurer or the Paying and Transfer Agent may prescribe, any bond. So long as any of the bonds remain outstanding, the State shall make all necessary provisions to permit the exchange of bonds at the office of the Paying and Transfer Agent.

All bonds shall be transferable only upon the registration books which shall be maintained for that purpose at the office of the Paying and Transfer Agent, by the registered owner thereof in person or such registered owner's authorized attorney, upon surrender thereof, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent, duly executed by the registered owner or such registered owner's authorized attorney, and upon such transfer there shall be issued in the name of the transferee a new bond or bonds in registered form of the same series in the same aggregate principal amount and of like maturity and interest rate as the bond or bonds surrendered. Bonds issued in connection with transfers shall be dated in the same manner provided above for the dating of bonds issued in connection with exchanges.

Neither the State nor the Paying and Transfer Agent shall be required (a) to exchange or transfer bonds for a period of fifteen (15) days next preceding an interest payment date on the bonds or next preceding any selection of bonds to be redeemed or thereafter until the first mailing of any notice of redemption, or (b) to transfer or exchange any bond called for redemption.

All bonds surrendered in any exchanges or transfers shall forthwith be canceled by the Paying and Transfer Agent and thereafter transmitted to the State Treasurer.

Prior to the issuance or delivery of any bond, whether upon original issuance, transfer, exchange or replacement, the Paying and Transfer Agent shall manually execute the certificate of authentication provided thereon. No bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Paying and Transfer Agent. Such certificate of the Paying and Transfer Agent upon any bond executed on behalf of the State shall be conclusive evidence that the bond so authenticated has been duly authenticated and delivered.

Bonds bearing the facsimile signature of any person who shall have been the Governor, State Treasurer or Attorney General at the time such bonds were originally dated or delivered by the State shall bind the State notwithstanding the fact that he or she may have ceased to be such officer prior to the delivery of such bonds or was not such officer at the date of such bonds.

Except as otherwise required by law, if (a) any mutilated bond is surrendered to the Paying and Transfer Agent at the office of the Paying and Transfer Agent, or the Paying and Transfer Agent receives evidence to its satisfaction of the destruction, loss or theft of any bond and (b) there is delivered to the Paying and Transfer Agent such security and/or

indemnity as may be required by it and by the State Treasurer to save harmless the State and the Paying and Transfer Agent, and as otherwise required by law, then, in the absence of notice to the Paying and Transfer Agent that such bond has been acquired by a bona fide purchaser as such term is defined in the Uniform Commercial Code as it is then in effect in the State, the Paying and Transfer Agent shall authenticate and deliver, in exchange for any such mutilated bond, or in lieu of any such destroyed, lost or stolen bond, a new bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The Paying and Transfer Agent shall thereupon cancel any bond so surrendered.

In case any mutilated, destroyed, lost or stolen bond has become or is about to become due and payable, the Paying and Transfer Agent in its discretion may, instead of issuing a new bond, pay such bond.

Each new bond issued pursuant to this Section in lieu of any surrendered, destroyed, lost or stolen bond shall constitute an additional contractual obligation of the State and shall be entitled to all benefits equally and proportionately with any and all other bonds duly issued. All bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen bonds, and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen bonds or securities.

Notwithstanding the foregoing provisions of these conditions, no bonds shall be exchanged for other bonds or be registered or transferred or issued or delivered by or on behalf of the State or the Paying and Transfer Agent pursuant to this Section at the request of a holder or owner of a bond, except upon payment to such Paying and Transfer Agent by or on behalf of such holder or owner of a charge sufficient to reimburse the State and such Paying and Transfer Agent for any tax, fee, or other governmental charge required to be paid with respect to the transaction.

The State and the Paying and Transfer Agent may treat and consider the person in whose name any bond shall be registered upon the registration books as herein provided as the holder and absolute owner thereof, whether such bond shall be overdue or not, for the purpose of receiving payment of the principal thereof, premium, if any, and interest thereon and for all other purposes whatsoever; provided, however, payment of, or on account of, the principal of, premium, if any, and interest on such bond shall be made only to, or upon the order of, such registered owner, and such payment so made shall be valid and effective to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid, and neither the State nor any Paying and Transfer Agent shall be affected by any notice to the contrary.

SECTION 23. If (a) the State shall pay or cause to be paid to the owners of the Series 2017D Bonds the principal and interest to become due thereon at the times and in the manner stipulated therein and herein, (b) all fees and expenses of the Paying and Transfer Agent, if any, shall have been paid, and (c) the State shall have kept, performed, and observed all and singular the covenants and promises in the Series 2017D Bonds and in this resolution expressed as to be kept, performed, and observed by it or on its part, then the Series 2017D Bonds shall cease to be entitled to any lien, benefit, or security under this resolution and shall no longer be deemed to be outstanding hereunder. If the State shall pay or cause to be paid to the owners of outstanding Series 2017D Bonds of a particular maturity, the principal of and interest to become due thereon at the times and in the manner stipulated therein and herein, such Series 2017D Bonds shall cease to be entitled to

any lien, benefit, or security under this resolution and shall no longer be deemed to be outstanding hereunder.

All Series 2017D Bonds for the payment of which sufficient monies, or, to the extent permitted by the laws of the State, (a) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America or any of its agencies ("Government Obligations"), or (b) certificates of deposit fully secured by Government Obligations, or (c) evidences of ownership of proportionate interests in future interest or principal payments on Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the Government Obligations and which Government Obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated, or (d) municipal obligations, the payment of the principal of, interest and premium, if any, on which are irrevocably secured by Government Obligations and which Government Obligations are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and have been deposited in an escrow account which is irrevocably pledged to the payment of the principal of and interest and premium, if any, on such municipal obligations (all of which collectively, with Government Obligations, are hereinafter called "Defeasance Securities"), shall have been deposited with an escrow agent appointed for the purpose in trust for the owners thereof, which may be the Paying and Transfer Agent, (whether upon or prior to the maturity or the redemption date of such Series 2017D Bonds) shall be deemed to have been paid within the meaning of this Section, shall cease to be entitled to any lien, benefit or security under this resolution and shall no longer be deemed to be outstanding hereunder and the registered owners shall have no rights in respect thereof except to receive payment of principal of and interest on such Series 2017D Bonds from the funds held for that purpose. Defeasance Securities will be considered sufficient if said investments, with interest, mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due on the Series 2017D Bonds. For the purpose of this Section, Defeasance Securities shall mean and include only (a) such Defeasance Securities which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof or (b) Defeasance Securities which, if subject to redemption shall, nevertheless, in all events, regardless of when redeemed, provide sufficient and timely funds for payment of the principal of and interest on the Series 2017D Bonds to be paid thereby.

SECTION 24. Each Authorized Officer is hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary or advisable in connection with the authorization, sizing, redemption provisions, sale, preparation, execution, issuance, and delivery of the Series 2017D Bonds and as may be necessary to carry out and comply with the provisions of this resolution and the Acts.

SECTION 25. Subject to the provisions of this resolution and the Acts, the Representatives be, and are hereby, authorized (a) to take such actions and to do such things as they shall deem appropriate and lawful to expedite the sale and issuance of the Series 2017D Bonds; (b) to make all final decisions and take all final actions regarding (i) the aggregate principal amount of the Series 2017D Bonds to be sold and issued, (ii) the principal and interest payment dates, (iii) the final maturity date for the Series 2017D Bonds, (iv) the payment and source of payment of the costs of issuance in connection with the Series 2017D Bonds, and (v) the redemption provisions of the Series 2017D Bonds, and (c) to make all final determinations necessary to offer for competitive sale the Series 2017D Bonds and the financing of the Projects, provided that such provisions shall be consistent with the Acts and this resolution.

SECTION 26. The State Treasurer shall keep proper records relating to the sale and issuance of the Series 2017D Bonds hereunder and the amounts received thereon and paid into the State Treasury for the purposes herein provided.

SECTION 27. A certified copy of this resolution shall be filed with the State Treasurer for her information and guidance.

SECTION 28. As authorized by the Acts, the Series 2017D Bonds herein authorized to be issued may as determined by the State Treasurer be submitted to validation in the Chancery Court of Hinds County, Mississippi, First Judicial District, in the manner and with the force and effect provided by Section 31-13-1, *et seq.*, Mississippi Code of 1972, as amended.

SECTION 29. The Representatives are hereby authorized to obtain a bond rating or ratings with regard to the sale of the Series 2017D Bonds, and to execute such documents and to do such other things and take such other actions as may be necessary with regard thereto.

SECTION 30. Bond Counsel is hereby authorized to have printed the Series 2017D Bonds and to schedule a closing of the sale of the Series 2017D Bonds at such place and on such date as Bond Counsel and the State Treasurer may select.

SECTION 31. The Representative are authorized and directed to publish the Notice of Sale two (2) times in the *Clarion-Ledger*, a newspaper published in and of general circulation in the City of Jackson in the State, the first publication thereof to be made at least ten (10) days preceding the date fixed for the receipt of bids, said Notice of Sale being in substantially the form attached as "Appendix G" to the Preliminary Official Statement.

SECTION 32. All resolutions and orders or parts thereof in conflict herewith are to the extent of such conflict, hereby repealed, and this resolution shall become effective immediately.

Following the reading of the foregoing Resolution and discussion thereof, Deputy Attorney General Mike Lanford made the motion to adopt the foregoing Resolution and Deputy State Treasurer Jessie Graham seconded the motion to adopt the foregoing resolution, and the question being put to a vote, the result was as follows:

Governor Bryant voted:	YES
Deputy Attorney General Lanford voted:	YES
Deputy State Treasurer Graham voted:	YES

The motion having received the affirmative vote of a majority of the members of the Commission present, being a quorum of said Commission, the Governor and Ex Officio Chairman declared the motion carried and the resolution adopted, this 8th day of November 2017.

EXHIBIT A
PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 28, 2017

OFFICIAL STATEMENT

**TWO (2) NEW ISSUES
BOOK-ENTRY ONLY**

"RATINGS" - Applied For

In the opinion of Jones Walker LLP, Jackson, Mississippi ("Bond Counsel"), under existing laws, regulations, rulings and judicial decisions, interest on the Series 2017D Bonds (as defined herein) is excludable from gross income for federal tax purposes pursuant to Section 103 of the Code (as defined herein). However, see "TAX MATTERS" for a description of the alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Series 2017D Bonds. Interest on the Series 2017E Bonds (as defined herein) should be treated as includable in gross income of the holders thereof for federal income tax purposes. Bond Counsel is further of the opinion that under existing laws, regulations, rulings and judicial decisions, interest on the Series 2017 Bonds (as defined herein) is exempt from income taxation in the State (as defined herein). See "TAX MATTERS" herein and APPENDIX E - FORMS OF OPINIONS OF BOND COUNSEL attached hereto.

\$52,825,000*
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D (Tax-Exempt)

\$45,225,000*
STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION
BONDS, SERIES 2017E

Dated: Date of Delivery

Due: December 1, as shown on the inside front cover

Interest on the \$52,825,000 State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt) (the "Series 2017D Bonds") will be payable on June 1 and December 1 of each year, commencing December 1, 2018. Interest on the \$45,225,000 State of Mississippi Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds" and together with the Series 2017D Bonds, the "Series 2017 Bonds") will be payable on June 1 and December 1 of each year, commencing December 1, 2018. The State Bond Commission of the State of Mississippi (the "State") has designated the Office of the State Treasurer to serve as paying agent, transfer agent and registrar of the Series 2017 Bonds (in such capacity, the "Paying and Transfer Agent"). The Series 2017 Bonds will be issued as fully registered bonds in the denomination of \$5,000, or any integral multiple thereof, and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Series 2017 Bonds. See "DESCRIPTION OF THE SERIES 2017 BONDS - Book-Entry-Only System" and APPENDIX F.

The Series 2017 Bonds are general obligations of the State and are secured by a pledge of the full faith and credit of the State. If the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017 Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

The Series 2017 Bonds will be subject to optional redemption prior to their respective maturities. See "DESCRIPTION OF THE SERIES 2017 BONDS - "Redemption Provisions of the Series 2017D Bonds" and "Redemption Provisions of the Series 2017E Bonds"

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. PROSPECTIVE INVESTORS MUST READ THIS ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Series 2017 Bonds are offered subject to the final approving opinion of Jones Walker LLP, Jackson, Mississippi, Bond Counsel. Certain legal matters with respect to the State will be passed upon by the State Attorney General, Jim Hood, Esq. Hilltop Securities, Inc., Dallas, Texas, is serving as Financial Advisor to the State in connection with the sale and issuance of the Series 2017 Bonds. It is expected that delivery of the Series 2017 Bonds in definitive form will be made on or about December 21, 2017*.

*Preliminary and Subject to Change

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1)). This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

\$52,825,000*
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

MATURITY SCHEDULE

Maturity (December 1)	Principal Amount	Interest Rate	Yield	CUSIP¹
2029	\$4,395,000			
2030	5,260,000			
2031	5,475,000			
2032	5,700,000			
2033	5,935,000			
2034	6,175,000			
2035	6,405,000			
2036	6,625,000			
2037	6,855,000			

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by Standard and Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services.

*Preliminary and Subject to Change.

\$45,225,000*
 STATE OF MISSISSIPPI
 TAXABLE GENERAL OBLIGATION BONDS,
 SERIES 2017E

MATURITY SCHEDULE

Maturity (December 1)	Principal Amount	Interest Rate	Yield	CUSIP ¹
2018	2,185,000			
2019	3,725,000			
2020	3,810,000			
2021	3,910,000			
2022	4,015,000			
2023	4,135,000			
2024	4,265,000			
2025	4,400,000			
2026	4,545,000			
2027	4,705,000			
2028	4,870,000			
2029	660,000			

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by Standard and Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services.

*Preliminary and Subject to Change.

STATE OF MISSISSIPPI

STATE BOND COMMISSION

PHIL BRYANT — *Governor, Ex officio Chairman*
JIM HOOD — *Attorney General, Ex officio Secretary*
LYNN FITCH — *State Treasurer, Ex officio Member*

DEPARTMENT OF FINANCE AND ADMINISTRATION

LAURA JACKSON — *Executive Director*
BRIAN PUGH — *Deputy Executive Director*
STEVEN MCDEVITT — *Director, Bond Advisory Division*

OFFICE OF THE ATTORNEY GENERAL

ROMAINE RICHARDS — *Special Assistant Attorney General*

OFFICE OF THE STATE TREASURER

JESSE GRAHAM — *Deputy Treasurer*

BOND COUNSEL

JONES WALKER LLP
Jackson, Mississippi

FINANCIAL ADVISOR

HILLTOP SECURITIES, INC.
Dallas, Texas

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NO DEALER, BROKER, SALES REPRESENTATIVE, OR OTHER PERSON HAS BEEN AUTHORIZED BY THE STATE, THE STATE BOND COMMISSION OF THE STATE, OR THE UNDERWRITERS OR PURCHASERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED HEREIN IN CONNECTION WITH THE OFFERING OF THE SERIES 2017 BONDS AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SERIES 2017 BONDS NOR SHALL THERE BE ANY SALE OF THE SERIES 2017 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER, SOLICITATION, OR SALE. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE STATE AND OTHER SOURCES THAT ARE BELIEVED TO BE RELIABLE. THE INFORMATION SET FORTH HEREIN CONCERNING DTC HAS BEEN FURNISHED BY DTC AND NO REPRESENTATION IS MADE BY THE STATE OR THE UNDERWRITERS OR PURCHASERS AS TO THE ACCURACY OR COMPLETENESS THEREOF. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE STATE SINCE THE DATE HEREOF.

THIS OFFICIAL STATEMENT CONTAINS FORECASTS, PROJECTIONS, AND ESTIMATES THAT ARE BASED ON EXPECTATIONS AND ASSUMPTIONS WHICH EXISTED AT THE TIME SUCH FORECASTS, PROJECTIONS, AND ESTIMATES WERE PREPARED. IN LIGHT OF THE IMPORTANT FACTORS THAT MAY MATERIALLY AFFECT ECONOMIC CONDITIONS IN THE STATE, THE INCLUSION IN THIS OFFICIAL STATEMENT OF SUCH FORECASTS, PROJECTIONS, AND ESTIMATES SHOULD NOT BE REGARDED AS A REPRESENTATION BY THE STATE THAT SUCH FORECASTS, PROJECTIONS, AND ESTIMATES WILL OCCUR. SUCH FORECASTS, PROJECTIONS, AND ESTIMATES ARE NOT INTENDED AS REPRESENTATIONS OF FACT OR GUARANTEES OF RESULTS.

IF AND WHEN INCLUDED IN THIS OFFICIAL STATEMENT, THE WORDS "EXPECTS," "FORECASTS," "PROJECTS," "INTENDS," "ANTICIPATES," "ESTIMATES," AND ANALOGOUS EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS AND ANY SUCH STATEMENTS INHERENTLY ARE SUBJECT TO A VARIETY OF RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE PROJECTED. SUCH RISKS AND UNCERTAINTIES INCLUDE, AMONG OTHERS, GENERAL ECONOMIC AND BUSINESS CONDITIONS, CHANGES IN POLITICAL, SOCIAL, AND ECONOMIC CONDITIONS, REGULATORY INITIATIVES AND COMPLIANCE WITH GOVERNMENTAL REGULATIONS, LITIGATION AND VARIOUS OTHER EVENTS, CONDITIONS, AND CIRCUMSTANCES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE STATE. THESE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS OFFICIAL STATEMENT. THE STATE DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO RELEASE PUBLICLY ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN TO REFLECT ANY CHANGE IN THE STATE'S EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS, OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.

INFORMATION HEREIN HAS BEEN OBTAINED FROM THE STATE, DTC, AND OTHER SOURCES BELIEVED TO BE RELIABLE, BUT THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION IS NOT GUARANTEED BY THE UNDERWRITERS OR PURCHASERS.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS OR PURCHASERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN MARKET PRICES OF THE SERIES 2017 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

EACH UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS A PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS OR THE PURCHASERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

UPON ISSUANCE, THE SERIES 2017 BONDS WILL NOT BE REGISTERED BY THE STATE UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY

OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR THE SERIES 2017 BONDS OFFERED FOR SALE BY THIS OFFICIAL STATEMENT.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY, OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS OFFICIAL STATEMENT ARE FOR CONVENIENCE OF REFERENCE ONLY, AND IN NO WAY DEFINE, LIMIT, OR DESCRIBE THE SCOPE OR INTENT, OR AFFECT THE MEANING OR CONSTRUCTION, OF ANY PROVISION OR SECTIONS OF THIS OFFICIAL STATEMENT. THE OFFERING OF THE SERIES 2017 BONDS IS MADE ONLY BY MEANS OF THIS OFFICIAL STATEMENT.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE I-DEAL PROSPECTUS WEBSITE AT WWW.I-DEALPROSPECTUS.COM. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IS PRINTED IN ITS ENTIRETY FROM SUCH WEBSITE.

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OFFICIAL STATEMENT SUMMARY

THE OFFERING

\$52,825,000*
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

The Issuer	State of Mississippi (the "State").
Issue and Date	\$52,825,000 State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt) (the "Series 2017D Bonds"), dated their date of delivery.
Authority	The Series 2017D Bonds will be issued pursuant to the provisions of the Series 2017D Bonds Act (as defined herein) and the Series 2017D Bonds Resolution (as defined herein).
Purpose	The Series 2017D Bonds are being issued for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, all as more particularly described herein, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds.
Amounts and Maturities	The Series 2017D Bonds will mature on December 1 in the years and amounts as shown on the inside front cover.
Interest Payment Dates	Interest on the Series 2017D Bonds will be payable on June 1 and December 1 of each year, commencing December 1, 2018.
Redemption Provisions	The Series 2017D Bonds will be subject to optional redemption prior to their respective maturities (see "DESCRIPTION OF THE SERIES 2017 BONDS - Redemption Provisions of the Series 2017D Bonds," herein).
Security for Payment	Pursuant to the Series 2017D Bonds Act, the Series 2017D Bonds shall be general obligations of the State and are secured by a pledge of the full faith and credit of the State (see "DESCRIPTION OF THE SERIES 2017 BONDS - Security," herein).
Tax Matters	In the opinion of Bond Counsel (as defined herein), interest on the Series 2017D Bonds is excludable from gross income for federal and State tax purposes. However, see "TAX MATTERS" for a description of the alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Series 2017D Bonds. See "TAX MATTERS," herein.

The above information is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement, including the Appendices.

*Preliminary and Subject to Change.

OFFICIAL STATEMENT SUMMARY

THE OFFERING

\$45,225,000*
STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION BONDS,
SERIES 2017E

The Issuer	State of Mississippi (the "State").
Issue and Date	\$45,225,000 State of Mississippi Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds"), dated their date of delivery.
Authority	The Series 2017E Bonds will be issued pursuant to the provisions of the Series 2017E Bonds Act (as defined herein) and the Series 2017E Bonds Resolution (as defined herein).
Purpose	The Series 2017E Bonds are being issued for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, all as more particularly described herein, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds.
Amounts and Maturities	The Series 2017E Bonds will mature on December 1 in the years and amounts as shown on the inside front cover.
Interest Payment Dates	Interest on the Series 2017E Bonds will be payable on June 1 and December 1 of each year, commencing December 1, 2018.
Redemption Provisions	The Series 2017E Bonds will be subject to optional redemption prior to their respective maturities. See "DESCRIPTION OF THE SERIES 2017 BONDS - Redemption Provisions of the Series 2017E Bonds," herein.
Security for Payment	Pursuant to the Series 2017E Bonds Act, the Series 2017E Bonds shall be general obligations of the State and are secured by a pledge of the full faith and credit of the State (see "DESCRIPTION OF THE SERIES 2017 BONDS - Security," herein).
Tax Matters	INTEREST ON THE SERIES 2017E BONDS SHOULD BE TREATED AS INCLUDABLE IN GROSS INCOME OF THE HOLDERS THEREOF FOR FEDERAL INCOME TAX PURPOSES. In the opinion of Bond Counsel, interest on the Series 2017E Bonds is exempt from all income taxation in the State (see "TAX MATTERS," herein).

The above information is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement, including the Appendices.

*Preliminary and Subject to Change.

STATE MAP TO BE INSERTED

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OFFICIAL STATEMENT

\$52,825,000*
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

\$45,225,000*
STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION BONDS,
SERIES 2017E

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the inside cover and the Appendices herein, is to set forth certain information concerning the State of Mississippi (the "State" or "Mississippi") and the State's \$52,825,000 General Obligation Bonds, Series 2017D (Tax-Exempt) (the "Series 2017D Bonds"), and \$45,225,000 Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds" and together with the Series 2017D Bonds, the "Series 2017 Bonds").

DESCRIPTION OF THE SERIES 2017 BONDS

General

The Series 2017 Bonds will be dated their date of delivery, and will be issued as fully registered bonds in the denominations of \$5,000 or any integral multiples thereof, bearing interest at the rates per annum set forth on the inside front cover, payable June 1 and December 1 of each year, commencing December 1, 2018, and computed on the basis of a 360-day year consisting of twelve, 30-day months. The State Treasurer of the State has been designated by the State Bond Commission of the State (the "Commission") to serve as paying agent, transfer agent and registrar of the Series 2017 Bonds (in such capacity, the "Paying and Transfer Agent"). The Series 2017 Bonds will be general obligations of the State and the full faith and credit of the State shall be pledged as security for the payment of the principal of and the interest on the Series 2017 Bonds.

The Series 2017 Bonds initially will be held in a book-entry-only system administered by The Depository Trust Company, New York, New York ("DTC"). Principal of and interest on the Series 2017 Bonds held in book-entry form shall be payable as described herein under the heading "DESCRIPTION OF THE SERIES 2017 BONDS - Book-Entry-Only System."

The principal of and interest on the Series 2017 Bonds will be payable by the Paying and Transfer Agent to DTC, which will in turn remit such principal and interest to its Direct Participants (as hereinafter defined) and Indirect Participants (as hereinafter defined), which will in turn remit such principal and interest to the Beneficial Owners (as hereinafter defined) of the Series 2017 Bonds. If the date for payment is not a business day, then the payment shall be made on the next succeeding business day with the same force and effect as if made on the payment date. The record date for the payment of interest on the Series 2017 Bonds is the close of business on the date which shall be the 15th day (whether or not a business day) of the calendar month next preceding each interest payment date.

The Series 2017 Bonds will mature December 1 in the years and in the amounts set forth on the inside cover page hereto.

Series 2017D Bonds

The Series 2017D Bonds will be issued pursuant to the provisions of Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; pursuant to the provisions of Section 5 of House Bill 1729 of the 2016 Regular Session of the State Legislature, (the "2016 Mississippi State Fairgrounds Improvement Act"); pursuant to Section 1 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 IHL Capital Improvements Act"); pursuant to Sections 1 and 2 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Capital Improvements Act"); pursuant to Section

14 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Partnership School Construction Act"); pursuant to Section 2 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 Community and Junior Colleges Capital Improvements Act"); pursuant to Section 39-5-145, Mississippi Code of 1972, as amended, including, but not limited to, Sections 24 and 25 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "Mississippi Community Heritage Preservation Grant Act"); pursuant to Section 13 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mississippi Arts and Entertainment Act"); pursuant to Section 33 of House Bill 787 of the 2014 Regular Session of the State Legislature (the "2014 City of Madison I-55 Connector Construction Act"); pursuant to Section 31 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 City of Terry Historic Preservation Act"); pursuant to Section 47 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mount Olive Park Improvements Act"); pursuant to Section 74 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Natchez Seminary Repair and Renovation Act") (collectively, the "Series 2017D Bonds Act") and a resolution adopted by the Commission on November 8, 2017 (the "Series 2017D Bonds Resolution") for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds, all as authorized under the Series 2017D Bonds Act and the Series 2017D Bonds Resolution.

Series 2017E Bonds

The Series 2017E Bonds will be issued pursuant to Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; the Mississippi Major Economic Impact Act and Section 34 of Senate Bill 2913, of the 2013 Regular Session of the State Legislature, and Section 18 of House Bill 1729 of the 2016 Regular Session of the State Legislature; Section 57-1-16, Mississippi Code of 1972, as amended, including, but not limited to, Section 22 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (collectively, the "ACE Act"); Section 57-1-701, Mississippi Code of 1972, as amended, including, but not limited to, Sections 1 and 2 of Senate Bill 3033 of the 2017 Regular Session of the State Legislature (collectively, the "Mississippi Site Development Grant Act"); and, Section 57-61-36, Mississippi Code of 1972, as amended, including, but not limited to, Section 11 of House Bill 787, 2014 Regular Session of the State Legislature (collectively, the "Development Infrastructure Grant Act") (collectively, the "Series 2017E Bonds Act"); and a resolution adopted by the Commission on November 8, 2017 (the "Series 2017E Bonds Resolution" and together with the Series 2017D Bonds Resolution, the "Resolutions"), for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized under the Series 2017E Bonds Act and the Series 2017E Bonds Resolution.

The Series 2017D Bonds Act and the Series 2017E Bonds Act are referred to together as the "Act."

Security

The Series 2017 Bonds will be general obligations of the State, and for the payment thereof, the full faith and credit of the State shall be irrevocably pledged. The Act provides that if the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017 Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

The qualified electors of the State voted in a general election held on November 7, 1995, to amend the Mississippi Constitution of 1890 (the "Constitution") to add the following new Section 172A (the "Amendment"):

SECTION 172A. Neither the Supreme Court nor any inferior court of this state shall have the power to instruct or order the state or any political subdivision thereof, or an official of the state or any political subdivision, to levy or increase taxes.

The Amendment does not affect the State's underlying obligation to pay the principal of and interest on the Series 2017 Bonds as they mature and become due nor does it affect the State's obligation to levy a tax sufficient to accomplish that purpose. However, even though it appears that the Amendment was not intended to affect bondholders' remedies in the event of a payment default, the Amendment potentially prevents bondholders from obtaining a writ of mandamus to compel the levying of taxes to pay the principal of and interest on the Series 2017 Bonds in a State court. It is not certain whether the Amendment would affect the right of a federal court to direct the levy of a tax to satisfy a contractual obligation. Other effective remedies are available to the bondholders in the event of a payment default with respect to the Series 2017 Bonds.

Redemption Provisions of the Series 2017D Bonds

Optional Redemption. The Series 2017D Bonds maturing after December 1, 2027, will be subject to optional redemption prior to their respective maturities on or after December 1, 2027, either in whole or in part on any date (as selected by the State among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium.

Redemption Provisions of the Series 2017E Bonds

Optional Redemption. The Series 2017E Bonds maturing after December 1, 2027, will be subject to optional redemption prior to their respective maturities on or after December 1, 2027, either in whole or in part on any date (as selected by the State among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium.

Selection of Series 2017 Bonds to be Redeemed

Held in Book-Entry Only System. If less than all of the Series 2017 Bonds shall be called for redemption, the State shall notify DTC that the redemption shall be by lot in whole multiples of \$5,000. While DTC is the registered owner of the Series 2017 Bonds, partial redemptions (including any sinking fund payments) of the Series 2017 Bonds of a particular maturity will be determined in accordance with DTC's procedures as in effect at the time of any such partial redemption.

Not Held in Book-Entry Only System. If less than all of the Series 2017 Bonds subject to redemption are called for redemption, the Paying and Transfer Agent shall select the Series 2017 Bonds to be redeemed from the outstanding Series 2017 Bonds subject to redemption and not previously called for redemption, by lot in any manner deemed reasonable by the Paying and Transfer Agent, provided that the unredeemed portion of the principal amount of any Series 2017 Bond shall be not less than \$5,000.

Notice of Redemption

Notice of the call for any redemption (which may be a conditional notice), identifying the Series 2017 Bonds (or any portions thereof in authorized denominations) to be redeemed, will be given by the State at least 30 days but not more than 45 days prior to the date fixed for redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Series 2017 Bond to be redeemed at the address shown on the records of the Paying and Transfer Agent. Failure to mail such notice to any particular owner of Series 2017 Bonds, or any defect in the notice mailed to any such owner of Series 2017 Bonds, will not affect the validity of any proceeding for the redemption of any other Series 2017 Bonds. So long as DTC or its nominee is the registered owner of the Series 2017 Bonds, notice of the call for any redemption will be given to DTC, and not directly to Beneficial Owners. See the caption, "DESCRIPTION OF THE SERIES 2017 BONDS -- Book-Entry-Only System" and APPENDIX F - BOOK-ENTRY-ONLY SYSTEM.

Defeasance

Under the Resolutions, all Series 2017 Bonds for the payment of which sufficient moneys or, to the extent permitted by the laws of the State, (a) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America or any of its agencies ("Government Obligations"), or (b) certificates of deposit fully secured by Government Obligations, or (c) evidences of ownership of proportionate interests in future interest or principal payments on Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the Government Obligations and which Government Obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated, or (d) municipal obligations, the payment of the principal of, interest and redemption premium, if any, on which are irrevocably secured by Government Obligations and which Government Obligations are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and have been deposited in an escrow account which is irrevocably pledged to the payment of the principal of and interest and redemption premium, if any, on such municipal obligations (all of which collectively, with Government Obligations, "Defeasance Securities"), shall have been deposited with an escrow agent appointed for such purpose, which may be the Paying

and Transfer Agent, all to the extent provided in the Resolutions, shall be deemed to have been paid, shall cease to be entitled to any lien, benefit or security under the Resolutions and shall no longer be deemed to be outstanding thereunder, and the registered owners shall have no rights in respect thereof except to receive payment of the principal of, premium, if any, and interest on such Series 2017 Bonds from the funds held for that purpose. Defeasance Securities shall be considered sufficient under the Resolutions if said investments, with interest, mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal and premium, if any, when due on such Series 2017 Bonds.

Registration

Series 2017 Bonds Subject to the Book-Entry-Only System. For so long as DTC acts as securities depository for the Series 2017 Bonds, the registration and transfer of ownership interests in Series 2017 Bonds shall be accomplished by book entries made by DTC and the Direct Participants and, where appropriate, the Indirect Participants, as described herein under the heading "DESCRIPTION OF THE SERIES 2017 BONDS-Book-Entry-Only System."

Series 2017 Bonds Not Subject to Book-Entry-Only System. Should the Series 2017 Bonds no longer be held in book-entry form, each Series 2017 Bond shall be thereafter evidenced by a bond certificate in fully registered form and transferable only upon the registration records of the State maintained by the Paying and Transfer Agent, by the registered owner thereof or by such registered owner's attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent, duly executed by the registered owner or such registered owner's duly authorized attorney. Upon the transfer of any Series 2017 Bond, the State shall issue, in the name of the transferee, a new Series 2017 Bond or Series 2017 Bonds of the same interest rate and maturity of like tenor and effect in any authorized denomination equal to the unpaid principal amount of the surrendered Series 2017 Bond.

Series 2017 Bonds, upon surrender thereof at the Office of the State Treasurer with a written instrument of transfer satisfactory to the Paying and Transfer Agent duly executed by the registered owner or such registered owner's duly authorized attorney, may be exchanged for a principal amount of Series 2017 Bonds of the same interest rate and maturity and of like tenor and effect in any authorized denomination equal to the unpaid principal amount of the surrendered Series 2017 Bonds. The Paying and Transfer Agent will not be required to register the transfer of or exchange any Series 2017 Bond after the mailing of notice calling such Series 2017 Bond for redemption has been given as provided in the Resolutions, nor during the period of 15 days next preceding the giving of such notice of redemption.

Book-Entry-Only System

The State has determined that it will be beneficial to have the Series 2017 Bonds held by a central depository system and to have transfers of the Series 2017 Bonds handled by a book-entry system on the records of DTC. Unless and until the book-entry-only system has been discontinued, the Series 2017 Bonds will be available only in book-entry form in principal amounts of \$5,000 or any integral multiple thereof. DTC will initially act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Series 2017 Bond will be issued for each maturity of the Series 2017 Bonds, and will be deposited with DTC. See APPENDIX F - BOOK-ENTRY-ONLY SYSTEM, for a detailed discussion of the book-entry-only system and DTC.

In the event the book-entry-only system is discontinued, principal and interest on the Series 2017 Bonds will be payable by check or draft of the Paying and Transfer Agent as described under the heading "DESCRIPTION OF THE SERIES 2017 BONDS - Registration."

DESCRIPTION OF THE PROJECTS

Series 2017D Projects

The Series 2017D Bonds are being issued under and pursuant to the Series 2017D Bonds Act and the Series 2017D Bonds Resolution for the purpose of providing funds to finance various capital improvements including, but not limited to, capital projects for institutions of higher learning and community and junior colleges in the State, road and bridge projects in the State, capital improvements to the State fairgrounds, an arts and entertainment center owned by the State and located in the State, grants for capital projects throughout the State, and various grant programs of the State (collectively, the "Series 2017D Projects"), and to pay the costs incident to the sale and issuance of the Series 2017D Bonds.

Series 2017E Projects

The Series 2017E Bonds are being issued under and pursuant to the Series 2017E Bonds Act and the Series 2017E Bonds Resolution for the purpose of providing funds to finance various economic development loans, grants, and programs of the State and various capital improvement projects within the State, including, but not limited to: an economic development project for Continental Tire The Americas, LLC; various capital improvement projects or studies related to military installations in the State; funding for the State's various grant programs for local economic development entities, the State's various grant programs for qualified small municipalities and counties; and funding for additional grants and grant programs for projects throughout the State (collectively, the "Series 2017E Projects"), and to pay the costs incident to the sale and issuance of the Series 2017E Bonds.

The Projects

Together, the Series 2017D Projects and the Series 2017E Projects are referred to as the "Projects."

SOURCES AND USES OF FUNDS

	Series 2017D Bonds	Series 2017E Bonds
The following is a summary of the		
Par Amount	\$52,825,000.00	\$ 45,225,000.00
Plus Original Issue Premium		
Total Sources		
Uses		
For Costs of the Projects		
For Costs of Issuance ¹		
Total Uses		

¹ Includes, among other expenses, underwriters' discount, rating agency fees, and financial advisor and legal fees. Payment of such fees is contingent upon the issuance of the Series 2017 Bonds.

DEBT STRUCTURE AND CHARACTERISTICS

General

All debt of the State must be authorized by legislation governing the specific programs or projects to be financed. In most instances, such legislation provides the Commission authority to approve and authorize the sale and issuance of State debt. The Commission is comprised of the Governor as Ex officio Chairman, the Attorney General as Ex officio Secretary and the State Treasurer as an Ex officio Member.

Short-Term Indebtedness

The Commission, acting on behalf of the State, is authorized to issue in any given fiscal year general obligation short-term notes in an amount not to exceed 7.5% of the total appropriation made by the Legislature in such fiscal year. Such short-term notes may be issued for the purpose of offsetting any temporary cash flow deficiencies in the State's General Fund and to maintain a working balance therein. The State has never issued tax anticipation notes.

The Commission also has the authority to establish lines of credit or issue short-term notes to provide temporary financing for certain projects for which the Commission is otherwise authorized to issue bonds. No such line of credit is presently outstanding. In July 2016, the State issued its \$80,000,000 Taxable General Obligation Note, Series 2016A (the "Series 2016A Note") to provide temporary financing for a portion of the costs of a project for Continental Tire The Americas, LLC, to be located in Hinds County, Mississippi. There is currently approximately \$40,000,000 outstanding under the Series 2016A Note as of October 27, 2017. The Series 2016A Note matures July 7, 2018. The State plans to refinance a portion of the Series 2016A Note with the proceeds of the Series 2017 Bonds.

Long-Term Indebtedness

The State's long-term indebtedness is composed of general obligation bonds and revenue bonds issued to finance specific programs and projects. As used in this Official Statement, the terms Gross Debt, Gross Direct Debt and Net Direct Debt are part of the State's long-term debt and have the following meanings.

"Gross Debt" means all bonded debt of the State, both general obligation bonds and revenue bonds.

"Gross Direct Debt" means only bonded debt of the State to which the full faith, credit and taxing power of the State is pledged.

"Net Direct Debt" means that amount of Gross Direct Debt, which is serviced only by appropriations from the State's General Fund or by specific sources of revenue, which would otherwise accrue to the State's General Fund except for the servicing of such debt.

The following table summarizes the outstanding principal amount of debt of the State.

**STATE OF MISSISSIPPI
LONG TERM INDEBTEDNESS
as of September 1, 2017**

State of Mississippi Bonds		
General Obligation Bonds Payable from General Fund or		\$4,107,975,000
General Fund Revenues		0
Self-Supporting General Obligation Bonds		<u>196,595,000</u>
Revenue Bonds		\$4,304,570,000
GROSS DEBT		
	DEDUCTIONS:	
Revenue Bonds		\$ <u>196,595,000</u>
Subtotal		<u>196,595,000</u>
GROSS DIRECT DEBT		\$4,107,975,000
Self-Supporting General Obligation Bonds		0
Subtotal		<u>4,107,975,000</u>
NET DIRECT DEBT		<u>\$4,107,975,000</u>

Source: Mississippi Treasury Department and the Department of Finance and Administration.

Outstanding Long Term Indebtedness

The following table shows a recent historical summary of the outstanding long term indebtedness of the State.

HISTORICAL SUMMARY OF OUTSTANDING LONG TERM INDEBTEDNESS

As of July 1	Gross Debt	Revenue Bond Debt	Gross Direct Debt	Self-Supporting General Obligation Debt	General Net Direct Debt
2005	\$3,066,040,000	\$91,995,000	\$2,974,045,000	\$39,955,000	\$2,934,090,000
2006	3,094,325,000	70,320,000	3,024,005,000	36,605,000	2,987,400,000
2007	3,140,150,000	47,880,000	3,092,270,000	34,070,000	3,058,200,000
2008	3,365,750,000	24,460,000	3,341,290,000	31,435,000	3,309,855,000
2009	3,426,630,000	0	3,426,630,000	3,790,000	3,422,840,000
2010	3,480,067,000	0	3,480,067,000	2,885,000	3,477,182,000
2011	3,780,490,000	0	3,780,490,000	1,955,000	3,778,535,000
2012	4,131,465,000	0	4,131,465,000	995,000	4,130,470,000
2013	4,055,890,000	0	4,055,890,000	0	4,055,890,000
2014	4,142,675,000	0	4,142,675,000	0	4,142,675,000
2015	4,176,700,000	0	4,176,700,000	0	4,176,700,000
2016	4,379,240,000	200,000,000	4,179,240,000	0	4,179,240,000
2017	4,310,610,000	196,595,000	4,114,015,000	0	4,114,015,000

Source: Mississippi Treasury Department and the Department of Finance and Administration.

**GENERAL FUND DEBT SERVICE
AS A PERCENTAGE OF GENERAL FUND REVENUES⁽¹⁾**

Fiscal Year Ended	General Fund Revenues	General Fund Debt Service	General Obligation Debt Service as a Percent of Revenues
2005	\$3,930,938,591	\$207,175,252	5.27%
2006	4,332,615,923	331,468,398	7.65
2007	4,789,398,828	212,707,963 ⁽²⁾	4.44
2008	4,936,891,193	289,547,871	5.86
2009	4,729,998,654	289,547,871	6.12
2010	4,453,337,142	347,187,090	7.80
2011	4,580,238,231	360,834,668	7.88
2012	4,850,552,501	369,045,642	7.61
2013	5,083,826,217	376,367,667	7.40
2014	5,332,732,555	376,860,167	7.05
2015	5,486,482,394	386,628,277	7.03
2016	5,460,763,169	392,741,392	7.21
2017	5,548,367,844	392,741,392	7.08

⁽¹⁾ Represents all debt service paid from the State's General Fund for the years provided.

⁽²⁾ During fiscal year 2007, \$100 million of debt service normally funded through General Fund appropriation was funded by the proceeds from the issuance of Gulf Tax Credit Bonds in October 2006.

Source: Mississippi Treasury Department and the Department of Finance and Administration.

Long Term Debt Ratios

The following table presents the State's long term debt ratios as of September 1, 2017.

As of September 1, 2017	Amount	Debt Per Capita ⁽¹⁾	Debt to Assessed Valuation ⁽²⁾	Debt to Estimated Full Valuation ⁽³⁾	Debt to Personal Income ⁽⁴⁾
Gross Debt	\$4,304,570,000	\$1,440.27	26.25%	3.25%	4.06%
Direct Debt	\$4,107,975,000	\$1,374.49	25.05%	3.10%	3.87%

⁽¹⁾ Based on 2016 estimated population of 2,988,726. Source: U.S. Department of Commerce, Bureau of the Census. <https://www.census.gov/quickfacts/MS>.

⁽²⁾ Based on calendar year 2015 assessed valuation of \$16,399,806,931 (Real Property tax roll). Source: Mississippi Department of Revenue, Annual Report FY Ending June 30, 2016.

⁽³⁾ Based on 2015 full valuation of \$132,354,004,254 (Real Property tax roll). Source: Mississippi Department of Revenue, Annual Report FY Ending June 30, 2016.

⁽⁴⁾ Based on 2016 estimated total personal income of \$106,052,785,000 (not adjusted for inflation). Source: U.S. Department of Commerce, Bureau of Economic Analysis, www.bea.gov/regional/bea/facts.

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The following table presents the recent history of the State's bonded indebtedness as of July 1 of each year.

**HISTORICAL GENERAL OBLIGATION BONDED DEBT
OUTSTANDING AND DEBT RATIOS SINCE 2008⁽¹⁾**

As of July 1	Outstanding	Debt Per Capita	Debt to Assessed Valuation	Debt to Estimated Full Valuation	Debt to Personal Income
2017					
Gross Debt	\$4,310,610,000	\$1,442.29	26.28%	3.26%	4.06%
Net Direct Debt	4,114,015,000	1,376.51	25.09	3.11	3.88
2016					
Gross Debt	4,379,240,000	1,463.49	27.00	3.35	4.20
Net Direct Debt	4,179,240,000	1,396.65	25.77	3.20	4.02
2015					
Gross Debt	4,176,700,000	1,394.99	26.26	3.25	4.07
Net Direct Debt	4,176,700,000	1,394.99	26.26	3.25	4.07
2014					
Gross Debt	4,142,675,000	1,384.95	26.04	3.22	4.08
Net Direct Debt	4,142,675,000	1,384.95	26.04	3.22	4.08
2013					
Gross Debt	4,055,890,000	1,366.86	25.89	3.25	4.04
Net Direct Debt	4,055,890,000	1,366.86	25.89	3.25	4.04
2012					
Gross Debt	4,131,465,000	1,392.33	26.38	3.31	4.31
Net Direct Debt	4,130,470,000	1,383.78	26.37	3.31	4.31
2011					
Gross Debt	3,780,490,000	1,274.05	24.89	3.10	4.09
Net Direct Debt	3,778,535,000	1,273.39	24.88	3.10	4.08
2010					
Gross Debt	3,480,067,000	1,223.22	40.60	5.02	5.85
Net Direct Debt	3,477,182,000	1,222.21	40.57	5.01	5.84
2009					
Gross Debt	3,426,630,000	1,204.44	39.98	4.94	5.76
Net Direct Debt	3,422,840,000	1,203.11	39.93	4.94	5.76
2008					
Gross Debt	3,365,750,000	1,183.04	39.27	4.86	5.66
Net Direct Debt	3,309,855,000	1,163.39	38.61	4.78	5.57

⁽¹⁾ 2008 through 2010 debt per capita, debt to assessed valuation, debt to estimated full valuation and debt to personal income information was based on the Census data from 2000, subsequent years based on the Census data from 2010. Source: U.S. Department of Commerce, Bureau of the Census. www.census.gov.

Source: Mississippi Department of Revenue and the Department of Finance and Administration

Lease Purchase Agreements

Pursuant to the authority granted the State by Section 31-7-10, Mississippi Code of 1972, as amended and supplemented (the "Lease Purchase Act"), the Department of Finance and Administration has entered into a master lease purchase agreement to finance new personal property leased by various agencies, boards, departments and commissions of the State (the "Agency Leases"). The Agency Leases require the State to make periodic payments of rent sufficient to pay the principal and interest due thereunder. The lease payments are subject to annual appropriation and are not a full faith and credit obligation of the State. The Commission has authorized the State, through the Department of Finance and Administration, to enter into Agency Leases in an amount not to exceed \$65,000,000 to be outstanding at any one time. There was an outstanding balance under the Agency Leases at October 31, 2017 of \$14,995,597.52.

Under the Lease Purchase Act, the Department of Finance and Administration is also authorized to enter into lease purchase agreements (the "School Leases" and "Community College Leases") to finance personal property to be subleased by school districts and community colleges in the State (the "Subleases"). The School Leases require the State to make periodic payments of rent sufficient to pay the principal and interest due thereunder (the "Lease Payments"). The Subleases require the school districts and community colleges to make payments to the State sufficient to make the Lease Payments. The Lease Payments are subject to annual appropriation and are not a full faith and credit obligation of the State. The Commission has authorized the State, through the Department of Finance and Administration, to enter into School Leases and Community College Leases in an amount not to exceed \$50,000,000 to be outstanding at any one time. There was an

outstanding balance under the School Leases at October 31, 2017, of \$7,879,411.72 and an outstanding balance under the Community College Leases at October 31, 2017, of \$62,460.39.

Certificates of Participation

Sections 47-5-1201 *et seq.*, Mississippi Code of 1972, as amended and supplemented, created the State Prison Emergency Construction and Management Board (the "SPECM Board") for the purpose of expediting the contracting and construction of public and private prison facilities in the State and the removal of State inmates from county jails. The SPECM Board entered into a Lease and Option to Purchase by and between the Marshall County Correctional Facilities Financing Corporation (the "Marshall County Lease"), as lessor, and the State, as lessee, in the original principal amount of \$24,215,000, on June 1, 1995 to finance the construction and equipping of a 1,000-bed correctional facility to be located in Marshall County. In connection with the refunding of the then outstanding amounts under the Marshall County Lease, the Marshall County Lease has been amended and restated and assigned to secure the payment of the \$18,575,000 Mississippi Development Bank Special Taxable Obligation Bonds, Series 2010A (MDOC - Marshall County Correctional Facility Refunding Bonds Project), dated May 21, 2010. The Marshall County Lease currently expires on August 1, 2018 and the current outstanding amount under the Marshall County Lease is \$2,815,000.

Section 47-5-941 of the Mississippi Code of 1972, as amended and supplemented, authorizes the Wilkinson County Industrial Development Authority (the "Wilkinson Authority") to contract with the Mississippi Department of Corrections ("MDOC"), acting for and on behalf of the State, for the private incarceration of inmates of the State. The Wilkinson Authority entered into a Lease-Purchase Agreement, dated as of December 1, 1996, with MDOC (the "Wilkinson County Lease") in the original principal amount of \$31,435,000 to finance the construction of a 500-bed correctional facility to be located in Wilkinson County, which facility presently has 1,000 beds as a result of a subsequent expansion. In connection with the refunding of the then outstanding amounts under the Wilkinson County Lease, the Wilkinson County Lease has been amended and restated and assigned to secure the payment of the \$20,100,000 Mississippi Development Bank Special Taxable Obligation Bonds, Series 2010B (MDOC - Wilkinson County Correctional Facility Refunding Bonds Project), dated May 21, 2010. The Wilkinson County Lease currently expires on August 1, 2021 and the current outstanding amount under the Wilkinson County Lease is \$20,100,000.

House Bill 1719, Local and Private Laws of the 1996 Regular Session of the Mississippi Legislature authorized the Board of Supervisors of Lauderdale County, Mississippi to create the East Mississippi Correctional Facility Authority (the "East Mississippi Authority") for the purpose of contracting with MDOC for the private incarceration of inmates of the State. The East Mississippi Authority entered into a Lease-Purchase Agreement, dated as of December 15, 1997, with MDOC (the "East Mississippi Lease") in the original principal amount of \$34,520,000 to finance the construction of a 500-cell correctional facility to be located in Lauderdale County. In 2007, the East Mississippi Lease was amended to cover a 500-cell expansion of the facility and additional bonds were issued in the principal amount of \$39,000,000 to finance such expansion. In connection with the refunding of the then outstanding amounts under the East Mississippi Lease, the East Mississippi Lease has been amended and restated and assigned to secure the payment of the (a) \$68,830,000 (original aggregate principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2010D (MDOC - East Mississippi Correctional Facility Refunding Bonds Project), dated July 20, 2010 and currently outstanding in the amount of \$19,130,000, (b) \$26,685,000 (original aggregate principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2016C (Mississippi Department of Corrections East Mississippi Correctional Facility Refunding Bond Project), dated July 29, 2016 and currently outstanding in the amount of \$26,685,000, and (c) \$20,340,000 (original aggregate principal amount) Mississippi Development Bank Taxable Special Obligation Bonds, Series 2016D (Mississippi Department of Corrections East Mississippi Correctional Facility Refunding Bond Project), dated July 29, 2016 and currently outstanding in the amount of \$19,980,000. The East Mississippi Lease currently expires on August 1, 2027.

House Bill 1878, Local and Private Laws of the 1998 Regular Session of the Mississippi Legislature authorized the Town of Walnut Grove to create the Walnut Grove Correctional Authority (the "Walnut Grove Authority") for the purpose of contracting with MDOC for the private incarceration of inmates of the State. The Walnut Grove Authority entered into a Lease-Purchase Agreement, dated as of November 1, 1999, with MDOC (the "Walnut Grove Lease") in the original principal amount of \$41,420,000 to finance the construction of a 1000-bed correctional facility (the "Walnut Grove Facility") to be located in the Town of Walnut Grove. In 2007, the Walnut Grove Lease was amended to cover a 500 cell expansion of the Walnut Grove Facility and additional bonds were issued in the principal amount of \$40,000,000 to finance such expansion. In connection with the refunding of the outstanding amounts under the Walnut Grove Lease, the Walnut Grove Lease has been amended and restated and assigned to secure the payment of the (a) \$93,580,000 (original aggregate principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2010C (Mississippi Department of

Corrections Walnut Grove Correctional Facility Refunding Bonds Project), dated July 20, 2010 and currently outstanding in the amount of \$27,560,000, (b) \$34,995,000 (original aggregate principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2016A (Mississippi Department of Corrections Walnut Grove Correctional Facility Refunding Project), dated July 29, 2016 and currently outstanding in the amount of \$34,995,000, and (c) \$26,235,000 (original aggregate principal amount) Mississippi Development Bank Taxable Special Obligation Bonds, Series 2016B (Mississippi Department of Corrections Walnut Grove Correctional Facility Refunding Project), dated July 29, 2016 and currently outstanding in the amount of \$25,760,000. The Walnut Grove Lease currently expires on August 1, 2027. On June 10, 2016, MDOC notified the Walnut Grove Authority of the termination of the residential services agreement between MDOC and the Walnut Grove Authority providing for the housing of inmates at the Walnut Grove Facility, effective on September 15, 2016. MDOC ceased housing inmates at the Walnut Grove Facility on September 15, 2016 and such facility was shut down. The closure of the Walnut Grove Facility did not terminate the Walnut Grove Lease or the obligation of the State to make rental payments under the Walnut Grove Lease.

The obligations of the State to make rental payments under the Marshall County Lease, the Wilkinson County Lease, the East Mississippi Lease, and the Walnut Grove Lease are subject to annual appropriation and do not constitute general obligations or a pledge of the full faith and credit of the State or any political subdivision or agency thereof within the meaning of any constitutional or statutory provision or limitation.

Debt Limitation

Section 115, Paragraph 2 of the Mississippi Constitution of 1890 provides:

"Neither the State nor any of its direct agencies, excluding the political subdivisions and other local districts, shall incur a bonded indebtedness in excess of one and one-half (1½) times the sum of all the revenue collected by it for all purposes during any one of the preceding four fiscal years, whichever year might be higher."

In accordance with current practice and interpretation, revenues included in the foregoing debt limitation are restricted to the following General Fund revenues and Special Fund receipts; taxes; license fees and permits; investment income and rents; service charges, including net income from the Alcoholic Beverage Control Division; and fines, forfeitures and penalties. As of September 1, 2017, the State's Gross Debt was \$4,304,570,000. The following table shows the State's constitutional debt limit for the previous eleven years and forecasts the State's constitutional debt limit for fiscal year 2018 and the next three fiscal years.

Fiscal Year Ending June 30	Revenues ⁽¹⁾	Constitutional Debt Limit	Outstanding Gross Debt
2007	\$8,006,244,243	\$10,930,261,350	\$3,100,385,000
2008	8,300,739,453	12,009,366,365	3,374,135,000
2009	7,960,861,538	12,461,109,180	3,435,285,000
2010	7,698,390,482	12,461,109,180	3,472,137,000
2011	7,956,269,318	12,461,109,180	3,769,280,000
2012	8,336,735,857	12,451,109,180	4,139,025,000
2013	8,549,281,153	12,505,103,786	4,063,805,000
2014	8,874,795,859	12,823,921,730	4,160,775,000
2015	8,647,704,125	13,312,193,788	4,185,105,000
2016	8,706,340,254	13,312,193,788	4,388,070,000
2017 ⁽²⁾	8,607,236,231	13,312,193,788	4,337,765,000
2018 ⁽³⁾	8,693,308,594	13,312,193,788	--
2019 ⁽³⁾	8,780,241,680	13,059,510,381	--
2020 ⁽³⁾	8,868,044,096	13,170,362,519	--
2021 ⁽³⁾	8,956,724,537	13,302,066,145	--

⁽¹⁾ Figures represent budgetary basis of revenues.
⁽²⁾ Assumes a 1.0% growth in Revenue.
⁽³⁾ Revenues are preliminary and have not been audited.
 Source: Department of Finance and Administration.

Annual Debt Service Requirements on Net Direct General Obligation Bonded Debt

The following table shows the annual debt service requirements on the State's Net Direct Debt as of June 30, 2017.

Fiscal Year Ending June 30	Principal ⁽¹⁾⁽²⁾	Interest ⁽¹⁾⁽²⁾	Total Annual Debt Service ⁽¹⁾⁽²⁾
2018	243,655,000	175,613,789	419,268,789
2019	276,935,000	166,089,026	443,024,026
2020	246,200,000	156,344,004	402,544,004
2021	382,085,000	143,348,910	524,433,910
2022	222,670,000	130,518,185	353,188,185
2023	217,105,000	122,020,887	339,125,887
2024	206,080,000	113,784,478	319,864,478
2025	198,880,000	105,427,333	304,307,333
2026	206,970,000	96,606,420	303,576,420
2027	193,920,000	87,467,807	281,387,807
2028	192,985,000	78,117,726	271,102,726
2029	178,790,000	68,845,304	247,635,304
2030	180,165,000	59,928,708	240,083,708
2031	165,115,000	51,639,130	216,754,130
2032	213,840,000	42,972,606	256,812,606
2033	204,635,000	33,381,297	238,016,297
2034	201,070,000	23,574,529	224,644,529
2035	183,580,000	13,963,701	197,543,701
2036	144,535,000	6,095,751	150,630,751
2037	65,265,000	1,408,250	66,673,250
	<u>\$4,124,470,000</u>	<u>\$1,676,147,842</u>	<u>\$5,800,617,842</u>

⁽¹⁾ Does not include the effect of the Series 2017D Bonds and the Series 2017E Bonds.

⁽²⁾ These amounts do not include any subsidy payments due to the State from the United States Treasury pursuant to and in accordance with Section 1531 of the Title 1 of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5, 123 Stat. 115 (2009)) (the "Recovery and Reinvestment Act") and Sections 54AA(g) and 6431 of the Code. Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, refund payments to certain state and local government filers claiming refundable credits under Section 6431 of the Code applicable to certain qualified bonds are subject to sequestration. The IRS Office of Tax Exempt Bonds (TEB) has announced that the sequester reduction percentage for payments to issuers of direct pay bonds for FY 2019 will be 6.6%. The reduction rate will be applied unless and until a law is enacted that cancels or otherwise impacts the sequester, at which time the sequestration reduction rate is subject to change. The State has made arrangements to pay the additional debt service on bonds issued under the Recovery and Reinvestment Act.

Source: Mississippi Treasury Department and the Department of Finance and Administration.

Revenue Bonds

On October 22, 2015 the State issued its \$200,000,000 Gaming Tax Revenue Bonds, Series 2015E (the "Series 2015E Bonds") to provide funds to the State to finance the costs of the repair, rehabilitation, replacement, construction and/or reconstruction of State maintained bridges within the State. The Series 2015E Bonds are limited obligations of the State and payable from all or a portion of the Dedicated Gaming Tax Revenue (which is defined for purposes of the Series 2015E Bonds as the first \$3,000,000.00 of all taxes, fees, interest, penalties, damages, fines or other monies collected monthly by the Mississippi Department of Revenue in accordance with Section 75-76-177(c), Mississippi Code (1972), as amended, in connection with all gaming operations in the State). The full faith and credit of the State is not pledged for the repayment of the Series 2015E Bonds.

Moral Obligation Bonds

The Mississippi Development Bank (the "Development Bank"), a body corporate and politic of the State, issues various series of Mississippi Development Bank Special Obligation Bonds (the "Development Bank Bonds") which may carry a pledge of the moral obligation of the State. The Development Bank Bonds are issued pursuant to the terms and provisions of Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented (the "Bank Act"), to provide financing for governmental projects of political subdivisions of the

State. The Bank Act provides that, in order to assure the maintenance of the debt service reserve requirement in a debt service reserve fund for certain Development Bank Bonds carrying the moral obligation pledge of the State, the Legislature of the State may, but is not obligated to, appropriate to the Development Bank for deposit in any such debt service reserve fund such sum as necessary to restore such debt service reserve fund to the debt service reserve requirement. As required by the Bank Act, any such amount must be certified by the Development Bank on or before January 1 of any year to the Governor of the State and then as required by the Bank Act transmitted by a request from the Governor to the Legislature of the State.

Nothing in these provisions or any other provision of the Bank Act creates a debt or liability of the State to make any payments or appropriations to or for the use of the Development Bank or in connection with any Development Bank Bonds. There is no assurance under the Bank Act (a) that the request by the Governor transmitted to the Legislature of the State, stating the amount of a deficiency in any debt service reserve fund, would be taken up for consideration by the Legislature of the State, (b) that upon consideration of any such request, the Legislature would determine to appropriate funds to reduce or eliminate such deficiency, or (c) that in the event the Legislature determined to make such an appropriation, the amounts thus appropriated would be forthcoming as of any particular date. As of the date hereof, no such request has been made by the Development Bank to fund any debt service reserve fund on Development Bank Bonds carrying the State's moral obligation pledge.

As of September 1, 2017, the Development Bank Bonds outstanding carrying a moral obligation pledge of the State totaled \$366,350,000. Except for these Development Bank Bonds, no bonds of the State are outstanding as of the date of this Official Statement which carry a pledge of the moral obligation of the State or which contemplate the appropriation by the Legislature of any amount as may be necessary to make up any deficiency in any debt service reserve fund in connection with indebtedness issued by or on behalf of a political subdivision of the State.

Record of No Default

Except as set forth below, there has been no default on general obligations of the State as to payment of either principal or interest during the last 100 years.

On May 3, 2017, the State gave notice of the optional call, on June 5, 2017, of \$75,000 principal amount of its State of Mississippi General Obligation Bonds (Mississippi Small Enterprise Development Finance Act Issue 2003 Series A through C) (the "Series 2003 Bonds"). As a result of a clerical error by the State and its paying agent, the payment of the principal and interest on that portion of the Series 2003 Bonds was not made until June 7, 2017. The State has taken action to ensure that such an error will not occur in the future.

Annual Debt Service Requirements

Annual debt service requirements for the Series 2017 Bonds are set forth in APPENDIX A hereto.

FISCAL OPERATIONS OF THE STATE

The Budgetary Process

Capital Improvement Budget. Beginning in mid-spring, the Office of Building, Grounds and Real Property Management performs on-site visits, tours and inspects every State building, facility and campus, noting problems and seeing first-hand the requested and necessary projects. The projects are placed into priority guidelines as to the projects (i) preserving and improving the quality of human life, (ii) protecting existing capital investment, (iii) supporting education to compete in the global economy, (iv) providing resources to maintain or gain specific accreditations, and (v) maximizing the State's fiscal opportunities. After consideration, these projects are included in a five-year capital improvement plan and presented to the Legislature for consideration. Funding is requested for a single year, with projections for the succeeding four years presented for informational purposes only.

Operating Budget Preparation. The State operates on a fiscal year beginning July 1 and ending June 30. The budget cycle begins on or about August 1 when all State agencies and institutions requesting appropriations submit budget requests to the Governor's Budget Office and the Legislative Budget Office. Agencies justify their requested budget in hearings held during September and October. At the close of the hearings, the Governor's Budget Office and the Legislative Budget Office receive information prepared by the State Department of Revenue, the University Research Center and the respective budget staffs regarding the financial outlook for the upcoming fiscal year. Based on this information, the budget offices adopt a consensus

revenue estimate. This action enables both branches to use the same revenue estimate as the basis for their budget recommendations. It is a statutory requirement that both the Governor and Legislature submit balanced budgets for consideration. The Executive Budget is prepared and submitted to the Legislature by November 15, except that every four years after a statewide election, the Executive Budget is prepared and submitted to the Legislature by January 15. The Legislative Budget is submitted to the Legislature at its regular session, which begins on the first Tuesday after the first Monday in January of each year. At the close of each annual regular session, the Legislature will have acted on approximately 150 separate appropriation bills that constitute the budget for the upcoming year beginning July 1. All General Fund, Education Enhancement Fund, and most Special Fund expenditures are appropriated annually by the Legislature and those Special Funds that are not appropriated are subject to the approval of the Department of Finance and Administration.

Revenue Projections. Five independently derived projections form the basis of the State's official revenue forecast. The Department of Revenue, the Legislative Budget Office, the Office of the State Treasurer, the Department of Finance and Administration and the University Research Center present and discuss their initial revenue forecasts and reach a consensus projection. This process is carried out for each major revenue category. Estimating techniques consist of econometric modeling and various forms of extrapolation.

Each October, the revenue estimate for the next fiscal year is finalized and presented to the Joint Legislative Budget Committee and the Governor's Budget Office. The estimate may be revised if circumstances warrant upon a consensus being reached by the five revenue-estimating agencies. If revenues fall short of projections, the Department of Finance and Administration is empowered to directly cut expenditures. All State agencies receiving general and/or special funds are subject to funding reductions of up to 5%. No agency receives a cut in excess of 5% unless all have been reduced by this percentage. Tax collections for fiscal year 2014 exceeded expectations in excess of \$252 million or 5.1%. Tax collections for fiscal year 2015 exceeded expectations in the amount of \$25 million or .05%. Tax collections for fiscal year 2016 were less than expectations in an amount of \$207 million or -3.71%. For fiscal year 2017, tax collections were less than expectations in an amount of \$169.4 million or -3.07% through August 2017. For fiscal year 2018, tax collections have exceeded expectations in an amount of \$29 million or 2.55% through September 2017.

If at any time during a fiscal year, the revenues received for that year fall below 98% of the Legislative Budget Office's General Fund revenue estimate, the Department of Finance and Administration, State Fiscal Officer may at any time but shall after October or any month thereafter, reduce allocations to all State agencies to keep expenditures within the actual General Fund receipts including any transfers, which may be made from the Working Cash-Stabilization Fund. Transfers from the Working Cash-Stabilization fund may not exceed \$50.0 million in any fiscal year. Senate Bill 2001 of the Second Extraordinary Session of the 2016 State Legislature removed the \$50.0 million limitation for fiscal year 2016. Senate Bill 2649 of the 2017 Regular Legislative Session provided not more than \$100 million may be transferred in fiscal year 2017.

Budget Implementation. The second phase of the budget process is the implementation of the budget based on the Legislature's appropriation bills. The establishment of any State agency's expenditure authority is a function of the Executive Director of the Department of Finance and Administration (the "Executive Director"). The Executive Director sets two six-month expenditure allotments based on seven major expenditure categories and their funding sources. These initial allotments must be approved by the Executive Director prior to July 1 of each fiscal year.

Budget and Accounting Controls. Based on the budget implemented by the Department of Finance and Administration, the Bureau of Financial Control pre-audits all invoices and supporting documents and issues warrants for payment of the legal debts of the State. No agency is allowed to exceed either the total fund allotment or major expenditure category allotment as established by the Executive Director. All payments made through the Bureau of Financial Control, except those classified as personal services and utilities, must have an approved encumbrance or purchase order on file and are charged against the allotment.

The Department of Finance and Administration has the authority to make limited revisions to agency budgets during the course of the fiscal year in the form of transfers and escalations. If an agency has a line item budget, transfers from one major object of expenditure to another major object of expenditure are limited to a maximum increase of 10% of the receiving major object of expenditure; transfer authority is not applicable to the salary category or to an increase in the equipment category. If an agency has a lump sum appropriation, transfers are not limited. Escalation authority applies to Special Funds only if funded with 100% federal funds. An escalation of nonfederal funds may be made if allowed within the appropriation bill for such requesting agency.

The Department of Finance and Administration maintains a dual fiscal management system, in that control is exercised over the total State budget as well as individual agency budgets. The Department of Finance and Administration may restrict, in its discretion, an agency to monthly allotments when it becomes evident that an agency's rate of expenditure will deplete its appropriation prior to the close of the fiscal year. In addition, should revenue collections fall below the amount estimated for collection during that period of the fiscal year, the Department of Finance and Administration may reduce allocations to all agencies in an amount necessary to keep expenditures within actual General Fund receipts. If it is determined that a deficit in revenues may occur in the General Fund at the end of a fiscal year, the Executive Director shall direct the transfer of such funds as necessary but not more than \$50.0 million from the Working Cash-Stabilization Fund to the General Fund. For fiscal year 2017, the State Legislature provided that not more than \$100 million may be transferred. Should any unexpended Special Fund cash balance exist at the end of a fiscal year, the balance may be retained for use by the respective agency in its accounts with the State Treasurer unless otherwise specified by law.

The State Department of Audit is responsible for and performs a post audit of all public entities under the jurisdiction of the State Auditor and investigates exceptions to spending practices discovered during the audit process. The State Department of Audit has the authority to recover any funds found to have been spent illegally.

GAAP Accounting

The State prepares its Comprehensive Annual Financial Report of the State ("CAFR") in accordance with Section 27-104-4, Mississippi Code of 1972, as amended and supplemented. The CAFR presents information on the financial position and operations of State government as one reporting entity. The various agencies, departments, boards, commissions and funds of State government, which constitute the State reporting entity, are governed by criteria established by the Governmental Accounting Standards Board. This Official Statement also includes financial data that was not prepared according to CAFR specifications but on a budgetary basis. The audited general purpose financial statements of the State for the fiscal year ended June 30, 2016, prepared in accordance with Generally Accepted Accounting Principles ("GAAP"), are presented in this Official Statement as APPENDIX B. The Government Finance Officers Association of the United States and Canada (the "GFOA") has awarded a Certificate of Achievement for Excellence in Financial Reporting to the State for its CAFR for the fiscal years ended June 30, 1987 through 2016 which is the highest form of recognition in the area of governmental financial reporting.

Investment and Cash Management

The State Treasurer is custodian of all State funds including all cash in the General Fund, Education Enhancement Fund, and all Special Funds and is responsible for the investment of all such monies. The State Treasurer serves as custodian for securities, which are pledged to the State to secure deposits of State funds, and for other securities, which are held by various State agencies in accordance with specific State statutes.

As revenues are received from various agencies, they are deposited, and funds not immediately needed for payment are invested in interest-bearing demand accounts and then are normally placed into longer-term investments. Funds of the State invested in certificates of deposit with Mississippi financial institutions are fully collateralized by authorized United States of America and State obligations for amounts in excess of the FDIC coverage. Fiscal records of receipts, deposits and disbursements of all State funds, including federal funds received by the State, are maintained in the State Treasury as well as detailed and current records of the State's bonded indebtedness. All payments of State-obligated bonds and interest due are made by the State Treasurer.

Pursuant to Section 27-105-33, Mississippi Code of 1972, as amended and supplemented, it is the duty of the State Treasurer and the Executive Director of the Department of Finance and Administration on or before the tenth day of each month and at any other time when necessary to analyze the amount of cash in the State's General Fund and in the Special Funds credited to any special purpose designated by the Legislature. They also must determine when the cash in such funds is in excess of the amount needed to meet the current needs and demands on such funds for the next seven days and report the findings to the Governor. The State Treasurer's Office is directed to invest such excess funds in certificates of deposit, United States Treasury Obligations, United States Government agency obligations or in direct security repurchase agreements with approved depositories of the State at a rate of interest numerically equal to the bond equivalent yield on direct obligations of the United States Treasury with a similar length of maturity.

Accounting Systems

Through June 30, 2014, the State operated a Statewide Automated Accounting System ("SAAS"), a comprehensive financial management system that met all GAAP, State budget and other financial management reporting requirements.

As of July 1, 2014, the State implemented a new system known as MAGIC (Mississippi's Accountability System for Government Information and Collaboration), an Enterprise Resource Planning (ERP) software to implement Financial, Procurement, Human Resource, and Payroll functions into a single, integrated software system. MAGIC has met new functional and data requirements; reduces inefficiencies and costs associated with multiple stand-alone systems at the statewide and agency levels; maintains enterprise data on a consistent, "real-time" basis; replaces aging, incompatible technology; and uses state of the art technology based on best business practices. Once MAGIC is fully implemented, it will replace the following legacy systems: SPAHRS (Statewide Payroll and Human Resource System) and ACE (Access Channel for Employees). All other systems utilized by the State prior to the implementation of MAGIC has been discontinued including SAAS (Statewide Automated Accounting Systems); WebProcure; MERLIN (Mississippi Executive Resource Library and Information Network); MELMS (Mississippi Enterprise Learning Management System); and PATS (Project Accounting and Tracking System).

Through the use of various funds, the Office of Fiscal Management of the Department of Finance and Administration accounts for operations of the State on a modified cash basis for budgetary purposes and on the modified accrual basis for GAAP purposes.

Overview of State Funds

The accompanying tables present a summary of receipts, disbursements and beginning and ending cash balances of the General Fund, Education Enhancement Fund, and Special Funds.

Receipts and disbursements of the General Fund and Special Funds, as shown in the tables, may differ substantially from budgetary resources and appropriations for a number of reasons, including the following:

- (a) Capital improvements authorized in a given fiscal year's budget may require several years to complete, so that the amounts appropriated for capital improvements in a particular fiscal year do not necessarily correspond to actual disbursements for capital improvements in that fiscal year. In such cases, unused money is reappropriated each fiscal year; and
- (b) Appropriations by the Legislature for current purposes in a particular fiscal year constitute an authorization to spend up to a certain amount, but no more. In most cases, the amount actually disbursed will be below that limit.

The General Fund. Revenues of the State for general operating purposes are derived principally from sales, income and use taxes, gaming taxes and fees, plus smaller amounts from other taxes, profits from wholesale sales of alcoholic beverages, interest earned on investments, proceeds from sales of various supplies and services, service charges and license fees. For the fiscal year ended June 30, 2016, sales taxes accounted for 37.4%, individual income taxes for 32.1% and corporation income and franchise taxes for 10.8% of the total receipts allocated to the General Fund. For the fiscal year ended June 30, 2017, sales taxes accounted for 36.6%, individual income taxes for 31.7% and corporation income and franchise taxes for 10.0% of the total receipts allocated to the General Fund. A comparison of the amounts received by the various revenue sources (budgetary basis) of the General Fund is detailed in the Revenues section of the accompanying table entitled "STATE OF MISSISSIPPI GENERAL FUND - Results of Operations - Budgetary Basis."

The General Fund appropriation is limited to 98% of the official revenue estimate and estimated prior fiscal year ending cash balance; unless waived by an act of the State Legislature. The 2015 State Legislature waived this rule for fiscal year 2016 and appropriated 100% of the revenue estimate. The 2016 State Legislature waived this rule for fiscal year 2017 and appropriated 100% of the revenue estimate. The 2017 State Legislature waived this rule for fiscal year 2018 and appropriated 99% of the revenue estimate. For the fiscal year ending June 30, 2018, appropriation for educational purposes accounts for 53.1% of the General Fund Budget. This includes State contributions to local school and community college districts. However, this percentage does not include certain State contributions such as maintenance funds for local school districts, shared taxes or local assistance. Other principal disbursements include costs related to welfare, public health, health care and hospitals and certain State operations. General Fund (budgetary basis) expenditures are

detailed in the Disbursements section of the accompanying table entitled "STATE OF MISSISSIPPI GENERAL FUND - Results of Operations - Budgetary Basis."

The General Fund, as shown in the 2016 financial statements in APPENDIX B, is defined in Note 1 of the Notes to the Financial Statements on Significant Accounting Policies. The 2016 financial statements as set forth in APPENDIX B reflect all funds of the State, not just those that are budgeted.

At each fiscal year end, the General Fund unencumbered cash balance is distributed in the following order: (1) an amount not to exceed \$750,000 to the Municipal Revolving Loan Fund; (2) an amount equal to 50% of the remaining balance, not to exceed 10% of the General Fund appropriations for the fiscal year that the unencumbered balance represents, to the Working Cash Stabilization Reserve Fund; and (3) any remaining amount to the Capital Expense Fund.

As of September 30, 2017, the Working Cash Stabilization Fund had a fund balance of \$286,363,737.88.

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State of Mississippi General Fund
Results of Operations-Budget Basis for Fiscal Year Ended June 30 (In Thousands)

	2012	2013	2014	2015	2016
TAXES:					
Sales	\$1,854,730	\$1,911,112	\$1,955,113	\$2,034,319	\$2,062,137
Individual Income	1,489,168	1,650,091	1,666,791	1,743,427	1,769,431
Corporate Income and Franchise	505,306	524,077	677,046	714,086	596,260
Use and Wholesale Compensating	215,879	233,462	246,322	226,622	238,264
Tobacco, Beer and Wine	187,979	181,017	176,181	177,766	175,573
Insurance	193,045	198,103	250,984	240,413	292,774
Oil and Gas Severance	89,913	82,796	76,654	54,761	26,483
Alcohol Excise and Privilege	66,669	70,017	71,525	73,854	73,369
Other	11,970	12,157	10,869	15,256	12,845
Interest	14,678	13,151	13,511	13,336	10,206
Auto Privilege, Tax and Title Fees	8,977	8,716	9,759	9,443	9,389
Gaming Fees	152,077	139,630	127,777	131,270	133,847
Highway Safety Patrol Fees	20,774	21,297	22,855	23,595	20,429
Other Fees and Services	11,266	11,109	10,292	12,543	11,680
Miscellaneous	4,587	4,499	3,851	3,314	2,826
Court Assessments and Settlements	20,041	35,223	70,286	50,011	66,207
Special Fund Revenues				0	0
TOTAL REVENUES	\$4,847,059	\$5,096,461	\$5,389,807	\$5,523,927	\$5,601,710
Expenditures by Major Budgetary Function:					
Legislative	\$ 23,931	\$ 26,364	\$ 26,378	\$ 26,454	\$ 28,154
Judiciary & Justice	62,165	62,664	64,453	71,260	74,070
Executive & Adm	2,940	3,044	3,217	3,171	3,128
Fiscal Affairs	54,180	56,320	56,792	63,396	66,876
Public Education ⁽¹⁾	2,011,890	2,029,370	2,077,657	2,162,141	2,252,624
Higher Education	764,001	721,016	761,596	789,825	807,597
Public Health	26,513	33,117	35,796	35,442	36,569
Hospitals and Hospital Schools	235,343	210,426	216,072	219,418	221,768
Agriculture, Commerce & Economic Dev.	104,393	103,303	110,034	116,204	118,615
Conservation and Recreation	46,035	46,388	48,135	51,867	52,367
Insurance and Banking	0	0	0	0	0
Corrections	310,951	311,739	334,580	345,280	326,337
Social Welfare	311,284	541,775	737,836	990,961	1,098,669
Public Protection and Veterans Assistance	85,433	87,988	88,001	104,006	108,103
Local Assistance	81,109	81,109	81,109	84,455	83,188
Motor Veh. & Other Regulatory Agencies	22	39	40	40	32
Miscellaneous	1,211	1,212	1,337	1,378	1,540
Public Works	0	0	0	32,000	0
Debt Service	369,564	375,804	375,455	380,532	392,099
TOTAL EXPENDITURES	4,491,465	4,690,667	5,018,488	5,477,830	5,671,626
Excess of Rev. over (under) expenditures	355,594	405,795	371,319	46,097	(169,916)
Other Financing Sources (Uses)					
Transfers In	23,534	22,092	13,213	12,184	190,961
Transfers Out	(376,405)	(426,992)	(397,492)	(50,761)	(62,416)
Other Sources (uses) of Cash	24	24	164	(343)	(515)
Excess of Revenues & Other Sources over (under)	2,747	919	(12,796)	7,177	(41,886)
Expenditures & Other Uses	2,747	919	(12,796)	7,177	(41,886)
Budgetary Fund Balances, Beginning	\$ 50,455	\$ 53,202	\$ 54,121	\$ 41,325	\$ 48,502

⁽¹⁾ Public Education reflects all educational activities.

Source: Department of Finance and Administration. (Fiscal Year 2017 information is not available until late Fall 2017.)

Education Enhancement Fund. Of the total sales tax revenue collected, 2.266% is to be deposited into the School Ad Valorem Tax Reduction Fund until such time that the total amount deposited into the fund during a fiscal year equals \$42 million. Thereafter, the amounts diverted during the fiscal year in excess of \$42 million are to be deposited into the Education Enhancement Fund for appropriation by the Legislature. Additionally, 9.073% of the total sales tax revenue collected is to be deposited into the Education Enhancement Fund.

Of the amount deposited into the Education Enhancement Fund, \$16 million must be appropriated to the State Department of Education to be distributed to all of the school districts in proportion to the average daily attendance of each school district, 16.61% for the support of the Adequate Education program, 7.97% for transportation and maintenance, 9.61% for classroom supplies, educational materials and equipment including computers and software, 22.09% for the purpose of supporting institutions of higher learning and 14.41% for the purpose of providing support to community and junior colleges. Of the remaining balance, \$25 million is to be deposited to the Working Cash-Stabilization Reserve Fund until the balance reaches the maximum of 10% of the General Fund appropriation for the appropriate fiscal year and the remaining balance is to remain in the Education Enhancement Fund for appropriation for other educational needs.

EDUCATION ENHANCEMENT FUND
For Fiscal Year Ended June 30 (In Thousands)

	2013	2014	2015	2016	Unaudited 2017
RESOURCES:					
Surplus from Prior Year	\$ 35,386.2	\$ 24,539.0	\$ 20,501.5	\$ 7,896.0	\$ 0.0
Sales Tax	268,682.6	276,440.3	288,934.5	294,023.3	296,419.8
Use Tax	28,127.5	30,036.6	27,539.7	29,457.4	29,215.5
Ad Valorem Reduction	46,000.0	45,596.1	46,002.2	46,000.0	46,000.0
Additional EEF from Dept. of Ed.	4,481.7	213.0	403.9	2,031.0	1,952.4
Transfer in from General Fund	0.0	0.0	0.0	0.0	0.0
Total Resources Available	\$ 382,578.0	\$ 376,825.0	\$ 383,381.8	\$ 379,407.7	\$ 373,587.7
DISBURSEMENTS:					
Education, K-12	\$ 254,226.3	\$ 252,529.1	\$ 265,482.2	\$ 268,333.1	\$ 260,810.2
Community & Jr. Colleges	60,833.4	40,002.8	42,522.7	42,730.3	40,763.3
Institutions of Higher Learning	40,180.1	60,822.3	64,292.8	64,957.6	61,988.1
Other	2,799.2	2,969.2	3,188.1	3,386.7	3,444.1
Total Disbursements	358,039.0	356,323.4	375,485.8	379,407.7	367,005.7
YEAR END SURPLUS	\$ 24,539.0	\$ 20,501.6	\$ 7,896.0	\$ 0.0	\$ 6,582.0

Source: Department of Finance and Administration.

Special Funds

General. The major sources of Special Fund receipts are federal grants-in-aid and diversion of State taxes for special purposes. Special Fund receipts are not estimated on a statewide basis. Expenditures are limited by the receipt of revenues. A portion of both motor vehicle privilege taxes and motor fuel excise taxes is deposited to a special fund for highway construction, and the balance of the privilege and excise tax collections is diverted to counties and municipalities.

For the fiscal year ended June 30, 2016, Special Funds received approximately \$6,753.2 million from the federal government which includes \$680.9 million for public education and \$496.1 million for highways. In addition, State tax receipts of \$1,466.6 million were diverted into Special Funds for particular purposes as provided by State law.

Health Care Trust Fund. The Health Care Trust Fund (the "Health Care Trust Fund") is a special fund established pursuant to 43-13-401 et seq., Mississippi Code of 1972, as amended and supplemented, for the deposit of funds received by the State as a result of the national tobacco litigation settlement. The Mississippi Legislature declared that such funds received by the State should be applied toward improving the health and health care of the citizens and residents of the State.

The Health Care Trust Fund began fiscal year 2000 with a balance of \$280,000,000. All subsequent tobacco settlement annual payments were to be deposited into the Health Care Trust Fund. Each year, a specified amount of funds from the Health Care Trust Fund are transferred to the "Health Care Expendable Fund", and those funds are available for expenditure by appropriation of the Legislature exclusively for health care purposes. If the interest and dividends from the investment of the Health Care Trust Fund are insufficient to fund the transfer to the Health Care Expendable Fund, the State Treasurer will transfer from the annual installment payment an amount sufficient to fully fund the transfer as required.

The 2011 Mississippi Legislature further amended the law and required annual transfers from the Health Care Trust Fund to the Health Care Expendable Fund for appropriation for health care needs. The annual transfer provided in the law is as follows:

Fiscal Year	Annual Transfer
2006	\$186,000,000
2007	186,000,000
2008	106,000,000
2009	92,254,000
2010	112,000,000
2011	112,000,000
2012	56,263,438
2013	97,450,332
2014	23,100,000
2015	3,055,564
2016	18,762
2017	5,475

Source: Department of Finance and Administration.

A board of directors, consisting of thirteen members, is statutorily responsible for investing the funds in the Health Care Trust Fund and the Health Care Expendable Fund. The board voted in May 2010 to discontinue meeting regularly since the assets were being gradually liquidated to satisfy the appropriations approved by the State Legislature. Upon receipt of the annual tobacco settlement payments on December 31, 2015 and in April 2016, the combined balance of both payments was transferred into the Expendable Fund by the end of fiscal year 2016. Future payments from the annual tobacco settlement will be transferred directly into the Expendable Fund. At September 30, 2017, the Health Care Expendable Fund had a balance of \$2,515,856.82.

Mississippi Prepaid Affordable College Tuition Fund. The Mississippi Prepaid Affordable College Tuition ("MPACT") program is a trust fund managed for the payment of tuition as required by contracts between the State and purchasers of the contracts. Monies received from purchasers of the MPACT contracts provide some of the cash flow used to satisfy the payment of benefits to institutions of higher learning on behalf of matriculating students. In addition to the payments received from the purchasers of MPACT contracts, the program is also funded in part from the dividends, interest and gains from the assets under management. The MPACT fund is managed within an actuarial framework, so the fund does have a target rate of return in order to grow the fund to a size that will be able to accommodate future obligations. All MPACT contracts carry the full faith and credit of the State. The relevant statute governing the MPACT Fund is Section 37-155-1 to Section 37-155-27, Mississippi Code of 1972, as amended and supplemented.

The MPACT Fund is overseen by the College Savings Plans of Mississippi Board of Directors (the "Board") of which the State Treasurer serves as Chairman. Any action taken with regard to the investments of the funds, including changes in investment management, investment policy, asset allocation, etc., must be approved by the Board.

On August 23, 2012, the Board voted to defer the 2012 enrollment effective September 1, 2012 and contract for the performance of an actuarial audit. Results of the audit were communicated to the Board at its April 30, 2013 Board meeting. Over the following 18 months, the Board held numerous planning sessions to review and approve changes to the program and the actuarial funding assumptions. The program reopened for enrollment on October 1, 2014. Utilizing the revised actuarial assumptions, as of June 30, 2016, the MPACT Fund-Legacy Plan had \$306.1 million in assets under management with a funded status of 72.1%. The value of expected liabilities of the trust exceeded the value of the assets, including the value of future payments by contract holders, by \$126.5 million. As of June 30, 2016, the MPACT Fund-Horizon Plan had \$16.8 million in assets under management with a funded status of 117.2%. The value of assets of the trust exceeded the value of the expected liabilities, including the value of future payments by contract holders, by \$4.2 million. The liability amounts are based on actuarial assumptions approved by the Board.

Budget Contingency Fund. The Budget Contingency Fund is a special fund created by the Legislature to handle non-recurring budget shortfalls. During the 2016 legislative session, the Legislature directed the initial \$150 million deposit of the BP Litigation Settlement to the Budget Contingency Fund, and

appropriated \$42.5 million to various coastal projects. The \$150 million settlement payment was received in early fiscal year 2017. At September 30, 2017, the fund balance was \$100,079,617.94.

Education Improvement Trust Fund. The Education Improvement Trust Fund is legally restricted to the extent that only earnings, and not principal, may be used for the purpose of educating elementary and secondary school students and for vocational training in the State. As of September 30, 2017, the Education Improvement Trust Fund had a balance of \$47,879,064.53.

STATE OF MISSISSIPPI SPECIAL FUND RECEIPTS⁽¹⁾⁽²⁾
For Fiscal Year Ended June 30, (In Thousands)

	2012	2013	2014	2015	2016
TAXES:					
Department of Revenue	\$ 794,907.9	\$ 752,613.2	\$ 826,485.8	\$ 786,111.4	\$ 874,481.0
Motor Vehicle Division	532,818.4	529,981.6	527,316.6	539,017.9	571,830.0
Other	28,376.2	29,505.9	29,726.9	16,969.1	20,277.9
Licenses, Fees, Permits & Penalties	729,125.0	809,560.6	778,155.9	505,127.0	508,141.6
Interest on Direct Investments	42,679.2	42,795.9	34,439.7	21,977.1	24,827.8
Sales and Services	851,431.3	775,814.0	806,167.4	656,960.2	932,302.9
Federal Grants-In-Aid					
Education	771,122.7	710,666.2	655,345.5	614,719.9	680,904.3
Highways	611,627.7	561,562.9	550,970.8	483,559.9	496,123.5
Public Health & Welfare ⁽²⁾	4,092,232.9	4,320,283.7	4,277,499.9		0.0
Federal-State Local Programs	434,517.3	332,720.2	246,077.6	5,351,049.2	5,576,163.7
Agricultural & Economic Dev ⁽²⁾	9,269.6	7,445.0	5,556.5		0.0
Employment Security ⁽²⁾	79,243.2	82,708.5	61,212.1		
Other	552,768.3	443,002.7	362,532.1	9,346.2	14.8
Political Subdivisions	87,272.4	146,564.7	189,757.2	180,694.0	115,633.6
Gross Sales of Alcoholic Bev	<u>222,976.1</u>	<u>229,973.6</u>	<u>233,304.1</u>	<u>319,584.8</u>	<u>245.2</u>
TOTAL REVENUE RECEIPT	\$ 9,837,268.3	\$ 9,774,198.7	\$ 9,584,538.2	\$ 9,484,116.7	\$ 9,800,946.3
Bonds, Notes Issued	811,760.4	763,555.3	335,024.5	76.1	0.0
Trans, Refunds & Other Rec.	<u>2,760,408.8</u>	<u>2,634,216.0</u>	<u>1,874,823.4</u>	<u>1,748,512.6</u>	<u>1,470,072.7</u>
TOTAL RECEIPTS	\$13,409,437.5	\$13,171,970.0	\$11,894,186.1	\$11,232,705.4	\$11,271,019.0

⁽¹⁾ The financial data presented in this chart was not prepared according to CAFR specifications, but is presented on a budgetary basis.

⁽²⁾ Public Health & Welfare, Agricultural & Economic Development, and Employment Security now included in the Federal State Local Programs.

Source: Department of Finance and Administration. (FY17 information is not due until the end of Calendar Year 2017.)

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STATE OF MISSISSIPPI SPECIAL FUND DISBURSEMENTS⁽¹⁾
For Fiscal Year Ended June 30 (In Thousands)

	2012	2013	2014	2015	2016
Legislative	\$ 808.0	\$ 0.0	\$ 6.0	\$ 6.0	\$ 0.0
Judiciary & Justice	53,690.0	66,884.0	61,568.0	63,687.3	72,379.1
Executive & Administrative	50,969.0	20,576.0	22,871.0	39,500.0	18,638.0
Fiscal Affairs	149,591.0	115,895.0	129,467.0	158,908.0	115,726.0
Public Education	899,741.0	787,847.0	764,376.0	763,362.8	809,456.0
Higher Education	65,993.0	75,362.0	79,833.0	91,522.9	86,206.0
Public Health & Social Welfare	6,487,583.0	6,625,960.0	6,380,977.0	6,589,816.0	6,668,631.0
Hospitals & Hospital Schools	372,768.0	366,932.0	366,650.0	382,159.7	375,919.0
Agriculture & Economic Development	396,694.0	333,927.0	272,311.0	257,455.0	208,373.0
Conservation & Recreation	320,940.0	257,725.0	263,898.0	239,583.0	243,233.0
Insurance & Banking	48,981.0	56,912.0	60,519.0	70,252.5	57,907.0
Corrections	28,873.0	48,564.0	44,418.0	13,747.1	32,302.0
Interdepartmental Service	48,301.0	46,756.0	48,422.0	47,115.6	51,906.0
Public Protection & Assistance to Veterans	690,168.0	544,601.0	457,827.0	497,464.0	377,013.0
Local Assistance					
Motor Vehicle & Other Regulatory Agencies	27,153.0	30,190.0	27,759.0	28,345.8	29,119.0
Miscellaneous	1,003.0	996.0	720.0	767.0	1,213.0
Public Works	1,341,052.0	1,233,866.0	1,318,348.0	1,161,434.0	1,198,184.0
Debt Service	<u>24,063.0</u>	<u>27,036.0</u>	<u>46,222.0</u>	<u>28,464.0</u>	<u>9,989.0</u>
TOTAL	<u>\$11,008,371.0</u>	<u>\$10,639,029.0</u>	<u>\$10,346,192.0</u>	<u>\$10,433,592.0</u>	<u>\$10,356,193.0</u>
DISBURSEMENTS					

⁽¹⁾ The financial data presented in this chart was not prepared according to CAFR specifications, but is presented on a budgetary basis.

Source: Department of Finance and Administration. (FY17 information is not available until late Fall 2017.)

Potential Claims Related to Federal Grants

The State is aware of several potential claims against the State by federal agencies for the reimbursement of certain federal grant monies. The State believes that the maximum aggregate exposure for the repayment of these grants, if any, will not exceed \$104,000,000. The State is in the process of gathering information which it believes will mitigate this exposure to the federal government.

DESCRIPTION OF STATE TAXES

State operations are funded by General Fund revenues, Education Enhancement Fund revenues and Special Fund receipts. Mississippi's tax base receives its major support from general sales and use taxes, personal income taxes, corporate income and franchise taxes, petroleum excise taxes, motor vehicle privilege taxes, insurance premium taxes and excise levies on tobacco and alcohol. The major sources of General Fund revenues are sales and use taxes, personal income taxes and corporate income and franchise taxes.

Sales Taxes. Sales taxes are imposed at a general tax rate of 7% (see "FISCAL OPERATIONS OF THE STATE - Education Enhancement Fund" herein). The State returns to the municipalities 18.5% of the retail sales tax collected within each municipality. Major exemptions from the sales tax include: (i) sales to governments; (ii) sales of raw materials to manufacturers, large vessels, barges and rail rolling stock; (iii) sales of livestock; (iv) sales of property for foreign export; (v) sales of seed, feed, fertilizer and agricultural chemicals; (vi) sales of farm products by a producer, except when sold by a producer through a regular place of business; (vii) sales of certain utility services for residential, industrial and farm use; (viii) sales of motor fuel; (ix) sales of food purchased with food stamps; (x) sales to non-profit hospitals and infirmaries; (xi) sales of newspapers; and (xii) sales of prescription drugs and medicines. The tax rate for construction contracts exceeding \$10,000, except residential construction, is 3.5%. The tax rate for the sale of automobiles, light trucks and motor homes is 5%. The tax rate for the sale of aircraft, semi-trailers and mobile homes is 3%. The tax rate for the sale of manufacturing machinery and equipment, farm implement and farm tractors is 1.5%. Sales to electric power associations are taxed at 1%.

Use Taxes. Use taxes are imposed at the same rate as sales taxes on personal property from out-of-state sources for use, consumption or storage in the State. Credit is allowed for taxes paid to another state if the property has been used in another state prior to being brought into the State for use. Exemptions for use taxes are the same as those for sales taxes.

Personal Income Taxes. Personal income taxes are imposed at a rate of 3% on the first \$5,000 of taxable income, 4% on the second \$5,000 and 5% on the remainder. Single taxpayers are allowed a \$6,000 exemption. Married taxpayers are allowed a \$12,000 joint exemption. Heads of household taxpayers with one or more dependents living in the home are allowed an \$8,000 exemption. The exemption for each dependent is \$1,500, plus an additional \$1,500 exemption for taxpayers who are blind or over age 65. The Mississippi Taxpayer Pay Raise Act of 2016 (the "Taxpayer Pay Raise Act") passed during the 2016 Legislative Session will gradually eliminate the 3% tax bracket. Under the current plan, \$1,000 of the first \$5,000 of taxable income would be exempted in 2018, with another \$1000 each year until the bracket is phased out by 2022.

Corporate Income and Franchise Taxes. Franchise taxes are currently imposed at a rate of \$2.50 per \$1,000 of capital employed in the State. The Taxpayer Pay Raise Act will gradually eliminate the franchise tax. Beginning in 2018, the first \$100,000 of taxable capital will be exempt from the franchise tax. In 2019, the tax cut reduces the rate by 25 cents every year until the franchise tax is fully repealed by January 1, 2028. Certain nonprofit and not-for-profit organizations are exempt from corporate income taxes and franchise taxes, such as (i) religious, charitable, educational and scientific associations and institutions; (ii) business leagues, labor organizations, chambers of commerce; (iii) civic leagues and social clubs operated for promotion of social welfare; (iv) non-profit agricultural associations such as farmers' or fruit growers' cooperatives; and (v) non-profit cooperative electric power associations. A small business corporation having a valid election in effect under Subchapter S of the Code is exempt from State income tax, except for that portion of income that might be allocable to shares of stock owned by nonresidents of the State.

Gaming Taxes and Fees. Gaming taxes and fees are imposed on gaming establishment gross revenue at a rate of 4% on the first \$50,000 per month, 6% of the next \$84,000 per month and 8% of all over \$134,000 per month.

Other Taxes. The Department of Revenue also collects other taxes that provide significant amounts of revenue. The tobacco tax is imposed on sales of all tobacco products in the State, including cigarettes, which are taxed at 68 cents per package of 20 cigarettes, all other tobacco products are taxed at 15% of the manufacturer's list price. Other taxes include gas and oil severance, beer excise, insurance premium, and finance company privilege taxes.

The Alcoholic Beverage Control Division of the Department of Revenue that controls the sale and consumption of distilled spirits and wine contributes to the General Fund through the collection of State excise taxes, markups, permit license fees (one half goes to the city or county where the permittee is located), permit application fees and interest earned on demand deposits.

SUMMARY OF GENERAL FUND RECEIPTS BY MAJOR SOURCES
Fiscal Year Ended June 30
(In Millions)

	2015		2016		2017 ⁽¹⁾	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Total General Fund Receipts	\$5,536.5	100.0%	\$5,692.7	100.0%	\$5,664.0	100.0%
Sales Taxes	2,034.3	36.7	2,062.1	36.2	2,055.2	37.04
Individual Income Taxes	1,743.4	31.5	1,769.4	31.1	1,781.7	32.11
Corporate Income & Franchise Taxes	714.1	12.9	596.3	10.5	564.0	10.16
Use Taxes	226.5	4.1	238.3	4.2	234.1	4.22
Gaming Taxes & Fees	131.3	2.4	133.8	2.4	133.0	2.40
Insurance Premium Taxes	218.5	3.9	268.6	4.7	274.5	4.95
All Other Receipts	468.4	8.5	624.2	11.0	611.5	9.12

⁽¹⁾ 2017 General Fund Receipts are through the end of June 2017.

Source: Department of Finance and Administration.

RETIREMENT SYSTEM

In accordance with State statutes, the Public Employees' Retirement System (the "System") Board of Trustees (the "Board of Trustees") administers 24 programs and plans, including 22 defined benefit plans and two defined contribution plans. The defined benefit plans include the Mississippi Public Employees' Retirement System ("PERS"), a cost-sharing multiple-employer public employee retirement system established in 1952, the Mississippi Highway Safety Patrol Retirement System ("MHSPRS"), a single-employer public employee retirement system established in 1958, the Supplemental Legislative Retirement Plan ("SLRP"), established in 1989, and the Municipal Retirement Systems ("MRS") made up of 17 fire and police and two municipal employee plans placed under the administration of the System on July 1, 1987. MRS is an agent multiple-employer defined benefit public employees' retirement system.

The defined contribution plans include the Optional Retirement Program ("ORP"), established in 1990 in accordance with Section 401(a) of the IRS Code as an alternative for membership in PERS for certain teaching faculty and certain administrative staff of the State's eight colleges and universities, and the Mississippi Deferred Compensation Plan and Trust ("MDCPT") created in 1973 in accordance with Section 457 of the IRS Code. The System has no liability for losses under the ORP or the MDCPT but does have fiduciary responsibilities for both plans related to the administration and selection of investment vehicles. Any political subdivision or judicial entity within the State may elect to have its employees covered by PERS or participate in the MDCPT. As of June 30, 2017, the System covered 880 public entities within the State.

Total System Covered Employers and Members as of June 30, 2017

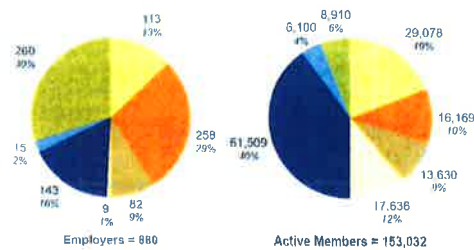
Total System Covered Employers and Members

Source: PERS Database

June 30, 2017



** Includes MHSPRS and SLRP
 *** Includes hospitals, libraries, and other justice entities
 **** includes MRS



The State neither contributes to MRS nor assumes any liability for benefits payable to members but does have the duty of due care required of an ordinary prudent investor. The plans under MRS were closed from 1975 through 1987 and the administration transferred to PERS in 1987.

On July 1, 1989, the Legislature established the SLRP for the purpose of providing supplemental retirement allowances and other benefits for elected members of the State Legislature and the President of the Senate and their beneficiaries. Each legislator and the President of the Senate must contribute 3% of all compensation or remuneration paid, except mileage allowance. The contribution rate by the State is 7.4%.

On July 1, 1990, ORP was established for employees of the State's nine colleges and universities who hold certain teaching or administrative faculty positions and who are appointed or employed after July 1, 1990. These participants have rejected membership in PERS. Title 25, Article 11 of the Mississippi Code states that the System will provide for administration of the ORP Program. ORP participants direct the investment of their funds. Benefits payable to plan participants are not obligations of the State. As such, ORP is not considered part of the System's reporting entity for financial reporting purposes.

Membership in PERS is a condition of employment and eligibility is granted upon hiring for all State agency and university employees not participating in ORP. For those employed by political subdivisions and instrumentalities of the State, membership is contingent upon the PERS Board of Trustees' approval of the entity's participation in the plan. If approved, membership is a condition of employment and eligibility is granted upon hiring.

Participating employees who retire at or after age 60 with four years of credited service if hired before July 1, 2007 or for those that were hired on July 1, 2007 or after, who retire at or after age 60 with eight years of credited service or those who retire regardless of age with at least 25 years of credited service if hired prior to July 1, 2011 or 30 years for those that were hired on July 1, 2011 or after are entitled to an annual retirement allowance, payable monthly for life. The retirement allowance is an amount equal to 2% of their average compensation for each year of credited service up to and including 25 years and 2.5 % for each year of credited service over 25 years, if hired prior to July 1, 2011. If hired on July 1, 2011 or after they are entitled to an annual retirement allowance, payable monthly for life, in an amount equal to 2% of their average compensation for each year of credited service up to and including 30 years and 2.5 % for each year of credited service over 30 years. There is an actuarial reduction for each year of creditable service below 30 or for each year of age below age 65, whichever is less for those hired on July 1, 2011 or after. "Average compensation" is the average of the employee's earnings during the four highest compensated years of credited service. A member may elect an option for a reduced allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of four years of credited service for those hired prior to June 30, 2007 and vest with completion of eight years of credited service for those hired on or after July 1, 2007. PERS also provides certain death and disability benefits. Retirees and beneficiaries have the option of maintaining health and other coverage at their own expense. Benefit provisions are established by Section 25-11-1 *et seq.*, Mississippi Code of 1972, as amended, and may be amended and supplemented from time to time only by the State Legislature.

The System incurs no expense for post-retirement health benefits. See Note 16 in the Excerpts from 2015 Audited Financial Statements of the State included in APPENDIX B hereto for a complete discussion of the State's other post-employment benefits.

Membership in MHSPRS is a condition of employment and eligibility is granted upon hiring for all officers of the Mississippi Highway Safety Patrol (the "Highway Patrol") who have completed a course of instruction in an authorized highway patrol training school on general law enforcement and who serve as uniformed officers of the Highway Patrol. Participating employees in MHSPRS who withdraw from service at or after age 55 with at least five years of membership service or, after reaching age 45 with at least 20 years of credited service, or with 25 years of credited service at any age are entitled to an annual retirement allowance, payable monthly for life, in an amount equal to 2.5% of their average compensation during the four highest consecutive years of earnings reduced 3% for each year below age 55 or 3% for each year under 25 years of service, whichever is less. MHSPRS also provides certain death and disability benefits. Retirees and beneficiaries have the option of maintaining health and other coverage at their own expense. Benefit provisions for MHSPRS are established by Section 25-13-1 *et seq.*, Mississippi Code of 1972, as amended, and may be amended and supplemented from time to time only by the State Legislature.

Employees covered by PERS are required to contribute 9.0% of their salaries, as of July 1, 2010. Employees of MHSPRS are required to contribute 7.25%, as of July 1, 2008. Members of SLRP are required to contribute an additional 3% of their compensation. Beginning July 1, 2013, the employers of PERS are required to contribute 15.75%; MHSPRS, 37.00%; and SLRP, remains at 7.40%, since January 1, 2012.

During a special session, the 2010 Mississippi Legislature passed House Bill 1 ("House Bill 1") which amended Sections 25-11-123, 25-11-109 and 25-11-115, Mississippi Code of 1972, and increased the percent of earned compensation as stated above from 7.25% to 9% (as a percentage of gross salary) and members who retire on or after July 1, 2010 will receive credit for ½ day of leave for each full year of membership service accrued after June 30, 2010. Also, a new option for members of PERS for payment of a member's retirement allowance provides that upon the retired member's death, ¼ of the member's reduced retirement allowance will be continued throughout the life of the employee's beneficiary.

Actuarial assumptions at June 30, 2017 were:

- (a) Rate of return on investment of 7.75%;
- (b) Projected Wage inflation rates 3.25%;
- (c) Projected salary increases of 3.25% to 18.50% per year for PERS, 3.25% to 8.81% for MHSPRS and 3.25% for SLRP attributable to seniority/merit;
- (d) Assumption that post-retirement benefits will increase 3.0% per year for PERS and SLRP; calculated 3% simple interest to age 55, compounded each year thereafter; and 3.0% for MHSPRS; calculated 3% simple interest to age 60, compounded each year thereafter;
- (e) Entry age for actuarial cost method; and
- (f) Five-year smoothed market asset valuation method.

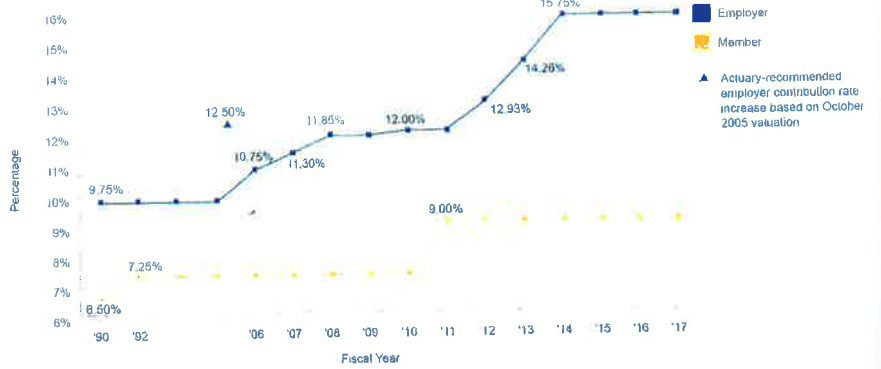
Employer contribution rates for PERS, and SLRP are set by the PERS Board of Trustees in accordance with the adopted Funding Policy following the annual actuarial valuation and projection reports. The employer contribution rate for MHSPRS is set by the MHSPRS Advisory Board in accordance with the adopted Funding Policy following the annual actuarial valuation and projection reports. The PERS Board of Trustees revised the Funding Policy for PERS and SLRP in 2012 with the focus on contribution stability with an objective of producing a projected funded ratio of at least 80% in 2042. Unfunded actuarial accrued liabilities are amortized as a level percent of the active member payroll, at a rate designed to produce a projected funded ratio of at least 80% in 2042. The MHSPRS Funding Policy provides that unfunded actuarial accrued liabilities are amortized as a level percent of active member payroll at a rate designed to produce a projected funded ratio of at least 80% in 2042. These benchmarks are reviewed annually and should the projected funded ratio be less than 60% in 2042 or projected to be less than 75% in 2042 following two consecutive annual actuarial valuations (70% following three consecutive annual actuarial valuations for MHSPRS), a contribution rate increase will be determined that is sufficient to generate a funded ratio of 85% in 2042. The employer contribution rate so computed, expressed as a percent of active member payroll, is designed to accumulate sufficient assets to pay benefits when due. For MRS, as closed plans, with declining active and retired memberships, the contribution is determined as a percentage of each municipality's assessed property valuation that generates an ultimate asset reserve level equal to a reasonable percentage (100 to 150 percent) of the next year's projected benefit payments, with the objective of developing a pattern of contribution rates that will develop the required funds needed to meet the objective of paying all benefits when due with little, if any, residual asset value. . .

House Bill 1 increased the PERS member contribution rate from 7.25% to 9.0% (as a percentage of gross salary) effective July 1, 2010. Employer contribution rate increases scheduled to go into effect July 1, 2011, were delayed six months. At its October 2010 scheduled meeting, the Board approved rate increases from 12 to 12.93 % for PERS-covered employers, 6.65 to 7.40 % for the SLRP and 30.30 to 35.21 % for the MHSPRS. However, in response to a request from leaders in the Mississippi Legislature, the Board of Trustees took action at its February 2011 meeting and the MHSPRS Administrative Board voted in March 2011 to delay any employer contribution rate increase until January 1, 2012. Effective July 1, 2012, the PERS employer contribution rate increased from 12.93% to 14.26% and the MHSPRS from 35.21% to 37.0%. Effective July 1, 2013, the PERS employer contribution rate increased from 14.26% to 15.75%.

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PERS Contribution Rate Change History

Source: PERS Actuarial Valuation Reports



Effective Date	1/1/80	7/1/81	7/1/05	7/1/06	7/1/07	7/1/09	7/1/10	11/1/12	7/1/12	7/1/13	7/1/14
FY	FY 90	FY 92	FY 06	FY 07	FY 08	FY 10	FY 11	FY 12	FY 13	FY 14	
Employer Rate	9.75%	9.75%	10.75%	11.30%	11.85%	12.00%	12.00%	12.93%	14.26%	15.75%	
Member Rate	6.50%	7.25%	7.25%	7.25%	7.25%	7.25%	9.00%	9.00%	9.00%	9.00%	

For fiscal year 2017, the combined net assets of all the defined benefit plans administered by PERS increased by \$2,444 million, or 9.9%.

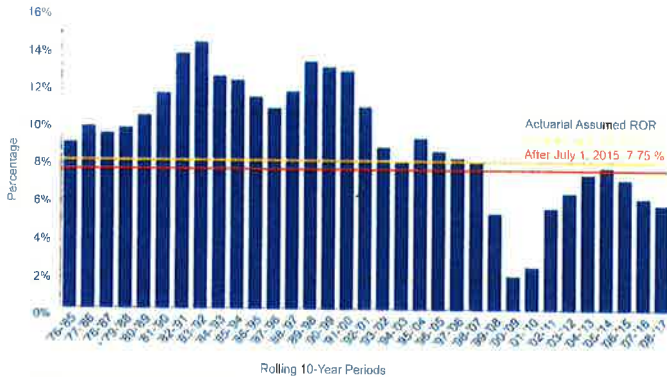
Investment Performance

Source: PERS Investments



Investment Annualized Rates of Return

Source: Callan Investment Measurement Service Quarterly Review for June 30, 2017



Historical Returns as of June 30, 2017

1-Year	14.96%
3-Year	6.34%
5-Year	10.08%
10-Year	5.58%
20-Year	6.73%
25-Year	7.94%
30-Year	8.34%

Excluding the MS Municipal Retirement System, the defined benefit plans administered by the System, PERS, MHSPRS, and SLRP, were actuarially funded at 61.1%, 68.1%, and 78.8% respectively as of June 30, 2017.

At June 30, 2017, the plans' net pension benefit liabilities were as follows (*in thousands).

	PERS*	MHSPRS*	SLRP
Total actuarial accrued liability	\$43,166,491	\$497,992	\$21,849
Actuarial value of Assets	<u>26,364,446</u>	<u>339,114</u>	<u>17,208</u>
Net Pension Liability	<u>\$16,802,045</u>	<u>\$158,878</u>	<u>\$ 4,641</u>

Funding policies for PERS, MHSPRS and SLRP provide for periodic employer contributions at actuarially determined rates that are adequate to accumulate sufficient assets to pay benefits when due. Actuarial valuations prepared as of June 30, 2017, the most recent valuation date, indicate that the unfunded (overfunded) accrued liability amortization periods of PERS, MHSPRS and SLRP are 38.4, 37.6 and 21.6 years, respectively, using an open amortization approach.

In October 2012, the Board of Trustees adopted a revised funding policy aimed at stabilizing the employer contribution rate that set the PERS rate at 15.75% and the SLRP rate at 7.4% effective July 1, 2013. The funding policy also established a goal for the PERS to be 80.0% funded by 2042. Under the revised funding policy, the volatility of the employer contribution rate will be reduced providing a predictable contribution rate for employers. The actuarial value of assets includes smoothing actuarial gains and losses over five years. The System incorporated the requirements of GASB Statement 67, *Financial Reporting for Pension Plans* beginning in its fiscal year-end 2014 financial reports which no longer requires a 30-year amortization period for the unfunded accrued liability.

PERS Actuarial Accrued Liability and Funded Ratio

2017 PERS Funded Ratio information not available until mid December 2017.

PERS Funded Ratio

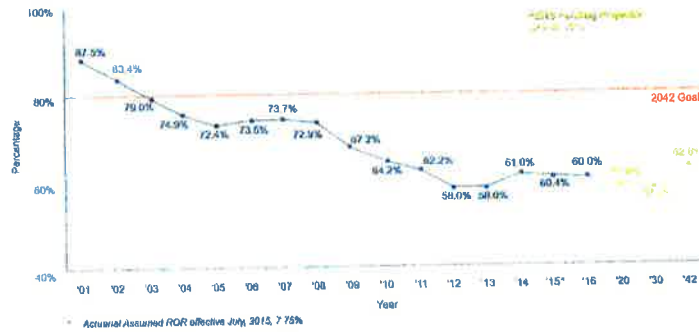
Source: PERS Actuarial Valuation Report

Funded Ratio: The ratio of the assets of a pension plan to its liabilities. The ratio is determined by dividing the actuarial value of assets by the actuarial accrued liability.

a goal of being 80 percent funded by 2042. This projection assumes PERS will earn at an 7.75 percent rate of return on investments. Over the past 30 years, PERS has earned, on average, a 8.19 percent rate of return.

Below is the annual funded ratio of PERS since 2001 and the projected funded ratio with the 2012 revision of the PERS Funding Policy by the Board of Trustees, which set

PERS Average Annual Benefit: \$22,607



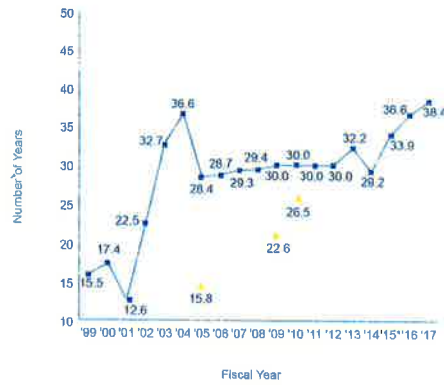
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PEPS Amortization Period of Unfunded Accrued Liability

Source: PERS Actuarial Valuation Report

Amortization: Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump-sum payment.

Unfunded Accrued Liability: The difference between the actuarial accrued liability and valuation of assets.



Actuary estimate of UAL period without benefit improvements implemented 1999 - 2002 with the employer contribution rate at 9.75% and the member rate at 7.25%. Actuarial Assumed ROR effective July 2015, 7.75%.

Source: PERS Facts & Figures · Data as of June 30, 2017, unless otherwise noted.

MS Highway Safety Patrol Retirement System (MHSPRS)

2017 MHSPRS Funded Ratio information not available until mid December 2017.

MS Highway Safety Patrol Retirement Plan Funded Ratio and Projection

Source: MHSPRS Actuarial Valuation Report

Actuarial Accrued Liability and Funded Ratio



Actuarial Assumed ROR effective July, 2016, 7.76%

MS Highway Safety Patrol Retirement System (MHSPRS)

MHSPRS Amortization Period of Unfunded Accrued Liability



Source: MHSPRS Actuarial Valuation Report

Supplemental Legislative Retirement Plan (SLRP)

2017 SLRP Funded Ratio information not available until mid December 2017.

Actuarial Accrued Liability and Funded Ratio

Supplemental Legislative Retirement Plan Funded Ratio and Projection

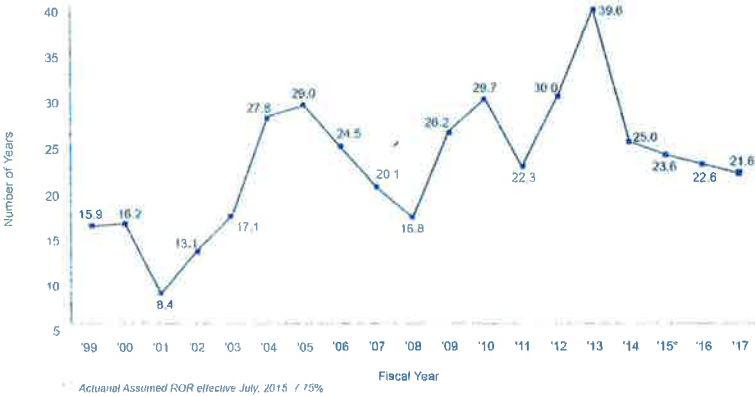
Source: SLRP Actuarial Valuation Report



Supplemental Legislative Retirement Plan (SLRP)

Source: SLRP Actuarial Valuation Report

SLRP Amortization Period of Unfunded Accrued Liability



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PUBLIC EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
For Fiscal Year Ended June 30 (In Thousands)

	2014	2015	2016	Unaudited 2017
Additions:				
Member Contribution	\$ 625,867	\$ 560,099	\$ 574,963	\$ 572,456
Employer Contributions	<u>1,005,219</u>	<u>1,030,028</u>	<u>1,055,072</u>	<u>1,052,147</u>
Total Contributions	1,631,086	1,590,127	1,630,035	1,624,603
Net Investment Income:				
Net Appreciation (Depreciation) in Fair Value Assets	3,654,142	362,760	(335,871)	3,037,548
Interest and Dividends	589,945	557,068	538,894	539,547
Securities Lending				
Net Appreciation in Fair Value		(2,128)	1,740	3,236
Interest Income on Securities Lending	19,133	18,525	23,152	37,318
Manager's Fees & Trading Costs	(83,449)	(88,884)	(89,116)	(95,916)
Interest Expense			(2,366)	(14,840)
Program Fees	<u>(2,680)</u>	<u>(2,619)</u>	<u>(3,097)</u>	<u>(3,381)</u>
Net Investment Income (Loss)	4,177,091	844,722	133,536	3,503,512
Other Revenues	<u>268</u>	<u>75</u>	<u>35</u>	<u>36</u>
Total Additions (Reductions)	<u>\$5,808,445</u>	<u>\$2,434,924</u>	<u>\$1,763,606</u>	<u>\$5,128,151</u>
Deductions:				
Retirement Annuities	2,263,161	2,284,168	2,433,505	2,544,382
Refunds to Terminated Employees	121,599	119,557	113,010	113,868
Administrative Expenses	13,454	14,119	15,764	17,624
Loss on Disposal of Equipment	0	0	0	0
Depreciation	<u>778</u>	<u>571</u>	<u>509</u>	<u>8,572</u>
Total Deductions	<u>\$ 2,398,992</u>	<u>\$ 2,418,415</u>	<u>\$ 2,562,788</u>	<u>\$ 2,684,446</u>
Net Increase (Decrease) in Plan Net Assets	3,409,453	16,509	(799,182)	2,443,705
Net Assets held in Trust for Pension Benefits Beginning of Year	<u>23,583,145</u>	<u>25,399,696</u>	<u>25,416,205</u>	<u>24,617,023</u>
End of Year	<u>\$26,992,598</u>	<u>\$25,416,205</u>	<u>\$24,617,023</u>	<u>\$27,060,728</u>

Source: State Auditor and Public Employees' Retirement System.

ORGANIZATION OF STATE GOVERNMENT

The State Constitution separates the legal powers of State government into three distinct branches, the legislative, the executive and the judicial.

Legislative Branch

Legislative power is vested in the Senate and the House of Representatives, which jointly comprise the Legislature of the State. The Senate is composed of 52 members, and the House of Representatives consists of 122 members. Each member of each chamber is elected to a four-year term.

The Legislature convenes annually on the first Tuesday after the first Monday in January. Regular sessions last 90 days in all years of an administration except for the first session after a new governor has been elected, when a 125-day session is held, which last occurred in January 2016. Any regular session may be extended by a concurrent resolution adopted by a 2/3 vote of the membership of both the House and the Senate. The Governor may convene the Legislature by a proclamation whenever, in the Governor's opinion, the public safety or welfare requires it, or upon written application of 3/5 of the members of each legislative body. The Legislature has the authority to enact legislation to complement the constitutional duties and powers of the executive branch of government.

Executive Branch

The Governor is vested with the chief executive powers of the State. The Governor is elected to a four-year term and may be elected for one additional four-year term. The Governor recommends to the Legislature, by message at the commencement of each session, the passage of such measures as the Governor deems appropriate; appoints, by and with the advice and consent of the Senate, certain officers of State government; may remit fines and penalties; grant reprieves, commute sentences, and grant pardons and paroles after convictions; and is Commander-in-Chief of the military forces of the State and, as such, may call out the National Guard to enforce laws, suppress insurrections and repel invasion.

Specific administrative functions are performed by the other statewide elected officials: the Lieutenant Governor, the Secretary of State, the Attorney General, the State Treasurer, the State Auditor, the State Insurance Commissioner and the State Commissioner of Agriculture and Commerce. For example, legal services are provided by the Attorney General; audit functions are performed under the direction of the State Auditor; and the Secretary of State maintains official records of the State, regulates the securities industry in the State and performs other statutory duties.

Other activities of State government are conducted through various boards and commissions created by the Legislature and accountable to either or both the legislative and executive branches. These include, among others:

(1) The Department of Transportation includes the State Highway Department, the Aeronautics and Rail Division, the weight inspection stations and portable scales from the Department of Revenue and the State Aid Engineer and the Division of State Aid Road Construction. The three elected members of the Mississippi Transportation Commission (one from each Supreme Court District of the State) select an executive director who serves as the administrative head of the Department of Transportation. The primary responsibilities of the department are the maintenance of highways and roads within the State and to promote the coordinated and efficient use of all available and future modes of transportation, to study means of encouraging travel and transportation of goods by the combination of motor vehicle and other modes of transportation. For operational purposes, the department is divided into six districts with maintenance and construction engineers in each district. However, certain functions, such as right-of-way acquisition, relocation assistance, bridge design, property control, research and development and testing are controlled at the departmental level. Other transportation related agencies are the Department of Public Safety and the Public Service Commission.

(2) Mississippi has a number of agencies that perform activities related to public health and welfare. Among those agencies are the State Department of Health, the Department of Human Services, the Department of Rehabilitation Services, the Division of Medicaid, Child Protective Services and the Parole Board. The Department of Health administers programs involving disease control, family health and environmental health. It also inspects sewer and water facilities, factories, food processing plants and conditions in State institutions. The Department of Human Services administers assistance payments to families of dependent children and makes determination of Medicaid eligibility. Additional services are provided through the Child Support, Food Assistance, Child Protective Services and Social Services Programs. The Office of Child Protective Services investigates reports of child abuse and administers the State's foster care system. The Division of Medicaid, within the Office of the Governor, administers the activities of all health related programs under Title XIX of the Social Security Act.

(3) The construction, maintenance and repair of State buildings are administered by the Office of Building, Grounds and Real Property Management, within the Department of Finance and Administration. In order to fulfill its responsibilities, pursuant to authority granted by the Legislature, the Office of Building, Grounds and Real Property Management has the authority to acquire real and personal property by lease or purchase and to exercise the right of eminent domain. Short and long-range public plans are subject to the approval of the Public Procurement Review Board of the Department of Finance and Administration.

(4) Under the supervision of three-elected commissioners, one from each Supreme Court district of the State, the Public Service Commission supervises and regulates various activities of utilities and motor carriers operating within the State. It has the authority and responsibility of prescribing rates and charges that will allow the utilities a fair and reasonable rate of return on investment under efficient operating conditions while protecting at all times the interest and welfare of the public. In the case of motor carriers, the Public Service Commission is charged with the responsibility of enforcing the provisions of the Motor Regulatory Act of 1938 on a fair and equitable basis by assuring that proper tags are purchased, that proper commodities are

transported at proper rates, that franchise provisions are strictly adhered to and that each carrier has full and adequate insurance coverage.

Judicial Branch

The Judicial Branch of State government consists of a Supreme Court, a Court of Appeals, Chancery District Courts and Circuit District Courts. The Supreme Court is an appellate court with members elected from three districts for terms of eight years. The Court of Appeals is an intermediate appellate court comprised of ten appellate judges, two elected from each congressional district, to serve for a period of eight years. There are 20 Chancery District Courts and 22 Circuit District Courts in the State, subject to change by the Legislature, with judges elected from each district for terms of four years. County Court judges in certain counties, and Justice Court judges in every county, are elected for four-year terms.

Local Governments

County and municipal governments and other political subdivisions have no sovereign powers in the State. In the State's counties and municipalities, the major sources of revenues are shared revenues from sales taxes and property taxes assessed on all local real and personal property, subject to certain exemptions. State agencies, however, provide various important services to political subdivisions, including the following: the State Department of Health works in an advisory capacity with local health departments; the State Department of Education provides guidance and aid for county and municipal Superintendents of Education; the Department of Transportation provides funding and technical assistance for county and urban road and bridge construction; and the Mississippi Development Authority (the "MDA") is authorized to provide many economic development services.

EDUCATION

Elementary/Secondary Education

Public Education in Mississippi has seen dramatic changes during the past 30 years, with the 1982 Education Reform Act serving to trigger much of that change. A statewide core curriculum has also been established, outlining objectives school districts are expected to include in their instruction. The State has been a leader in developing a performance-based accreditation model, with both schools and districts receiving an annual accreditation level. The State is home to the Mississippi School for Mathematics and Science, the fourth of its kind in the nation when it opened in 1988, which provides intensive training in math, science and technology to certain high school juniors and seniors. The Mississippi School of Fine Arts, which opened in the fall of 2003, offers certain high school juniors and seniors training in the various fine arts. During the 2015-2016 school year, public elementary schools (K-6) enrolled 272,139 students and public secondary schools enrolled 206,638 students. The enrollment for public elementary and secondary students was a combined total of 478,777 students. The State's public schools employed 32,230 full-time equivalent classroom teachers. State and local boards of education are responsible for governing public elementary and secondary education. At the State level, a nine-member State Board of Education administers these responsibilities. The State Superintendent of Education, appointed by the State Board of Education, serves as its secretary and chief operating officer.

Community Colleges

The State was the first state to establish a system of public two-year colleges and has 15 community colleges located on 34 campuses and centers in every area of the State. These two-year institutions offer university level courses of study as well as vocational and technical programs. There is a wide variety of specialized programs for industry start-up and industry training, which are offered Statewide. Total headcount enrollment (unduplicated) at the public community and junior colleges for 2015-2016 school year was 70,634. Public community colleges are governed by local boards of trustees, with State coordination by a ten member State Board for Community and Junior Colleges.

Universities and Colleges

Eight institutions of higher learning are supported by the State (included in this number is the University of Mississippi Medical Center whose numbers are reflected within those for the University of Mississippi. These institutions offer courses and programs statewide. The 2015-2016 academic year enrollment in the State supported institutions of higher learning was approximately 81,024. The State's eight institutions

of higher learning are administered by a 12 member Board of Trustees of State Institutions of Higher Learning and a Commissioner of Higher Education.

THE ECONOMY

Location and Geography

The State is centrally located in the southern region of the United States of America. It is bounded on the east by Alabama, on the north by Tennessee, on the west by the Mississippi River, which separates it from Arkansas and Louisiana, and by Louisiana and the Gulf of Mexico on its southern boundary. The State encompasses 47,715 square miles and ranks 32nd in physical size among the states. Jackson, located in the central part of the State, is the capital and the largest city.

The State has a temperate to subtropical climate. The temperature ranges from a high mean temperature throughout the State of 84.5 degrees during July to a low mean temperature of 45.6 degrees in January. The State has an average rainfall of 53.9 inches. The topography of the State ranges from flat to hilly, with a maximum elevation of 806 feet in the northeastern corner of the State.

The State's Economy (as of October 2017)

The Mississippi economy continues to lack momentum. According to preliminary estimates by the Bureau of Economic Analysis, (BEA) the Mississippi economy grew 0.8% in 2016. This gain followed a 0.3% gain in 2015, based on revised data. The 2016 gain, though modest, marks the largest annual growth in the Mississippi economy since the 2.2 percent increase in 2012. The State's annual GDP growth has exceeded 1% only once since 2008 (in 2012). Between 2009 and 2016, the Mississippi economy grew a total of 1.7%. During the same period, the national economy grew 14.1%. Annual job growth between 2009 and 2016 was 4.3% in the State and 9.9% in the nation. As of August, the State remains over 8 thousand jobs below the pre-recession peak of 2008.

The State added an average of 10,875 jobs in 2016 over 2015. The largest contributor to job gains was eating places, followed by retail trade. These were followed by health services, professional services and manufacturing. The largest decline occurred in the construction sector.

Real incomes grew 2.7% in 2016, up from the 1.4% in 2015. This gain was the strongest since the 2008 recession and only the third increase of more than 2.0% in that time. Despite the improvement, income growth remains below the National average. While the State's unemployment rate has fallen, many of the job gains have been in low-wage sectors. Beyond the income data as reported, a substantial number of Mississippians have historically worked in other states in the oil and gas sector. The jobs and incomes associate with these individuals are not counted in any data within the State, but much of their income is spent in the State. When oil prices collapsed many lost their job and those who kept their jobs took pay cuts. This has contributed to the sluggish growth in retail sales, sales tax, and the State's economy in general.

The Mississippi economy appears to be flat to slightly declining in 2017. While employment has risen 0.8% in the last three months, its growth for 2017 remains below the previous year's rate. Growth in income tax withholdings in the state remains largely flat. Although Mississippi building permits began 2017 on a strong note, this growth has dissipated and returned to the levels of a year ago.

Revenues from Mississippi's gaming sector have declined in 2017. In 2016 after adjusting for inflation the state's gaming sector experienced nearly flat growth. Through August of 2017, however, real gaming revenue for the coastal counties has fallen 2.4%, the river casinos have seen a 7.7% decline, and the net impact is a 4.7% decline in real gaming revenue for the state as a whole.

Short-Term Outlook

The national economy grew 1.2% in the first quarter of 2017 and improved to a 3.1% gain in real GDP in the second quarter. However, growth in the third quarter is expected to slow due to the impacts of Hurricanes Harvey and Irma before improving in the last quarter. The U.S. economy is projected to expand by around 2.2% for the year, fueled by improved job growth and disposable income. A growth rate of 2.2% would mark an improvement over the 1.5% increase observed in 2016. Current projections show growth strengthening modestly in 2018 but remaining in the 2.2-2.4% range over the next few years.

Like the nation, the State's economy is expected to make gradual improvement. Current projections have the 2017 State economy growing 1.2%. Growth is expected to improve slightly over the next few years but with projections for modest national growth, the State will likely remain below 2%.

State Economic Structure

About 83% of the State's roughly 1.1 million wage and salary workers are in service-producing industries and the remaining 17% are employed in goods-producing industries. Almost 78.6% of total nonfarm employment is in the private sector while government employs the remaining 21.4%. Nationally, the government represents slightly more than 15.5% of the workforce. Mississippi also depends relatively more on the manufacturing sector than the U.S. with 12.4% of employment concentrated in manufacturing compared to the national average of slightly less than 8.5%. Because of the strong linkages to the rest of the economy, the manufacturing sector is a driver of significant economic activity in other sectors in the State as well.

Economic Development

The MDA was created to improve the quality of life for Mississippians through the creation of productive employment opportunities and the enhancement of the State's tax base. To accomplish its mandate, MDA concentrates on recruiting new industries into the State, encouraging expansion of existing industries, expanding world markets for State products, seeking international business investment, assisting in the development of minority businesses, and providing training and retraining programs for the State's work force to meet the needs of today's business.

A variety of services are available to individuals and businesses to stimulate jobs and income growth in the State. MDA provides financial, management and technical assistance services. Some of these include tax incentives, loan programs and bond financing programs for industries, small businesses and agribusinesses.

Banking and Finance

There are 77 financial institutions in the State, consisting of 7 national chartered commercial banks, 4 federal chartered thrifts, and 66 state chartered commercial banks. The total number of branch offices is 1,180. Combined assets for these institutions as of June 30, 2017 totaled \$93,769,544,000.

There are 4 banks with assets exceeding \$10 billion. Three of these four banks are state chartered. Whitney Bank is the largest financial institution in the state and has assets of over \$26 billion.

There are 6 financial institutions with assets less than \$10 billion, but greater than \$1 billion. Total assets for the 10 largest institutions are \$73,189,206,000. This represents approximately 79% of banking assets in the State. Average asset growth over the past three years is 6%.

Manufacturing

The manufacturing sector is a leading employer in the State. Approximately 141,900 persons are employed in more than 2,400 manufacturing facilities. About one-fourth of these facilities have 100 or more employees and account for 80% of all manufacturing workers. The State has eighteen (18) manufacturing companies with 1,000 or more employees.

Every county in the State has a manufacturing facility. Hinds County has the largest number of manufacturing plants followed by Lee County, Rankin County, DeSoto County and Harrison County. The leading product groups in the State are apparel, electrical machinery and equipment, food products, furniture and fixtures, lumber and wood products and transportation equipment.

In November 2000, Nissan North America, Inc. ("Nissan") announced the location of a \$930 million automobile manufacturing facility in Madison County, Mississippi. In June 2002, while the original facility was still under construction, Nissan announced that it would expand the facility to 2.5 million square feet with an additional investment of \$500 million. When the plant began production, 2,040 people were employed and has grown to present employment of approximately 6,400. The 3.5 million-square-foot plant has a capacity to produce 400,000 vehicles per year.

In March 2007, Toyota Motor Engineering & Manufacturing North America, Inc. ("Toyota") announced its plans to locate a new manufacturing plant near the town of Blue Springs, Mississippi. Toyota directly employs approximately 2,000 and represents an \$800 million investment. Since the plant began production

during November of 2011, Mississippians have been successfully producing Toyota's best-selling model, the Corolla, for the U.S. market and is at full production today.

Huntington Ingalls Industries is the State's largest manufacturing employer through its shipyards located in Pascagoula and Gulfport. With current employment above 11,000, Huntington Ingalls Industries has an annual payroll of approximately \$680 million. The company develops and produces technologically advanced warships for the United States Navy, Coast Guard, Marine Corps and for foreign and commercial customers. It has operated in the State since 1938.

PACCAR, a global leader in the design and manufacture of premium light-, medium- and heavy-duty trucks, constructed its newest engine manufacturing and assembly plant on a 394-acre site in Lowndes County.

Yokohama selected West Point, Mississippi as the location for its new tire manufacturing facility opening the \$300 million commercial truck tire facility October 5, 2015, just a little over 24 months after breaking ground on the site. The modern, one-million-square-foot facility located on more than 500 acres of land has hired more than 260 employees and plans to eventually reach 500. The company plans to produce up to one million tires annually when running at full capacity.

Continental Tire The Americas, LLC, has begun construction of its commercial vehicle tire manufacturing plant in Hinds County, Mississippi and has committed to investing \$1.45 billion and creating 2,500 jobs and expects to begin production in 2020.

Tourism and Gaming

Since 1992, the total capital investment in the State by the gaming industry has exceeded \$4.5 billion. The gross gaming revenues for the 28 State-licensed casinos in fiscal year 2016 was \$2,107,117,794.93 and for the 28 State-licensed casinos in fiscal year 2017 was \$2,090,634,797.88. The State's gaming industry reported 16,740 State-licensed and casino hotel employees for the fourth quarter of fiscal year 2017. In addition, the Mississippi Band of Choctaw Indians employs an estimated 2,795 persons at its casino hotels.

According to the Mississippi Department of Revenue, gross gaming revenues for the first two months of fiscal year 2018 were \$355,806,056.

Agriculture and Forestry

Agriculture is one of the State's leading industries, employing approximately 17% of the State's workforce either directly or indirectly. Agriculture in the State is a \$6.88 billion industry with a \$12.7 billion economic impact each year. There are approximately 42,300 farms in the State covering 11 million acres. The average size farm is composed of 262 acres. Agriculture makes a significant contribution to all 82 counties. The primary agricultural products in Mississippi are poultry, forestry, soybeans, corn, rice, catfish, hay, cattle and calves, cotton, hogs, horticulture crops, mill, sweet potatoes, wheat and peanuts.

Forestry and forestry products contribute a total impact of \$17.4 billion to the State's economy. 19.8 million acres or about 65% of the total land in the State is devoted to forest production. Mississippi ranks number one in the nation in the number of certified tree farms with more than 3,200. The forestry sector, which includes pulp mills, paper mills, wood furniture, employs 25% of the State's manufacturing workforce.

Construction

The construction industry plays a powerful role in sustaining economic growth, in addition to producing structures that add to productivity and quality of life. In 2015, construction contributed \$5 billion (4.4%) of the State's GDP of \$107 billion, making construction's contribution to the State's GDP more than the industry's 4% share of United States GDP. Private non-residential construction spending in the State totaled \$2.5 billion in 2015 while nonresidential starts in the State totaled \$2.7 billion in 2014. Construction employment in August 2017 totaled 43,900. Construction worker's pay in the State averaged \$46,300, 25% more than all private sector employees in the State.

During the period 2011 through 2016, building permits issued for residential construction averaged 6,450 annually, with an average annual valuation of \$968 million. The following chart presents annual data for residential building activity.

RESIDENTIAL CONSTRUCTION BUILDING ACTIVITY
(Valuation in Millions)

Calendar Year	Building Permits(In Thousands)	Privately-Owned Housing Units Valuation (In Millions)	Contract Construction Employment (In Thousands)
2003	12.1	1,254.5	51.3
2004	13.6	1,399.3	50.6
2005	13.0	1,535.2	52.1
2006	16.6	1,891.0	53.0
2007	16.3	1,773.0	58.2
2008	10.0	1,119.3	57.5
2009	6.7	807.2	47.8
2010	4.8	646.3	50.2
2011	5.3	724.1	49.6
2012	6.0	836.5	45.8
2013	6.8	956.1	49.6
2014	6.9	1,033.1	49.0
2015	6.8	1,078.1	47.4
2016	6.9	1,181.9	45.3

Source: University Research Center, the U.S. Department of Commerce, Bureau of the Census, Building Permits Branch and the Bureau of Labor Statistics, Associated General Contractors of America.

Transportation

The Mississippi Department of Transportation ("MDOT") is the lead agency to meet the transportation needs of the State. MDOT is committed to providing a transportation system - a network of highways, airports, public transit systems, ports, weight enforcement offices and rail systems - that will provide for the safe and efficient movement of people and goods. Much of the success of the transportation system can be attributed to the AHEAD program enacted in 1987, which promises to link every Mississippian to a four-lane highway within 30 miles or 30 minutes. In the spring of 2002, the Mississippi Legislature enacted Vision 21 - MDOT's Proposed Highway Program for the 21st Century. This pay-as-you-go highway program has been and will continue to upgrade existing roadways or build new highways where they are needed most, without burdening the public with new taxes.

The State's public and private airports provide facilities for both commercial and private aircraft and play a vital part in the economic development of the small communities in the State. The mission of the MDOT Aeronautics Division is to assist airport owners in developing a safe and effective air transportation system in the State.

The State's public ports continue to play a vital role in the State's transportation system and the State's economy. Currently, there are 16 public ports in the State which include the State controlled Port of Gulfport in Harrison County and Yellow Creek State Inland Port in Tishomingo County. The remaining 14 ports are locally owned and operated. These ports contribute \$1.4 billion to the State economy, representing almost 3% of the State's GDP and including some 34,000 direct and indirect jobs paying \$765 million in wages and salaries. On average, over 47.7 million tons of cargo moved through the public and private terminals within the State's ports annually.

Mississippi has 2,542 miles of mainline railroad providing service between major centers throughout the State. This mileage is comprised of five Class-I Railroads (large rail systems extending from the Gulf of Mexico into Canada) and 24 Class-III Railroads (short intrastate rail systems) utilizing the Mississippi Rail System.

Population

According to the 2010 Census, the population of the State was 2,967,297.

**TOTAL RESIDENT POPULATION FOR MISSISSIPPI AND THE UNITED STATES
(In Thousands)**

Calendar Year	Mississippi Population	Percent Change	United States Population	Percent Change
1970	2,217	1.80%	203,302	13.40%
1980	2,521	13.70	226,546	11.40
1990	2,577	2.10	249,440	10.10
2000	2,844	10.36	282,224	14.30
2001	2,856	.25	285,318	1.10
2002	2,863	.25	288,369	1.10
2003	2,874	.40	290,810	1.00
2004	2,893	.66	293,655	1.00
2005	2,908	.52	296,410	.93
2006	2,911	.10	299,398	1.00
2007	2,919	.27	303,809	1.47
2008	2,939	.69	305,800	1.00
2009	2,951	.40	307,007	.40
2010	2,967	.54	308,746	.60
2011	2,979	.40	311,592	.92
2012	2,985	.20	313,914	.75
2013	2,991	.20	316,129	.71
2014	2,994	.10	318,857	.87
2015	2,998	.03	321,419	.80
2016	2,988	.17	323,128	.53

Source: U.S. Department of Commerce, Bureau of the Census, Economic Research Service.

**MISSISSIPPI RESIDENT POPULATION CHARACTERISTICS AND
PERCENTAGE CHANGE BY CENSUS PERIOD
(In Thousands of People)**

Sector	1990	2000	2010	%Change	%Change	%Change	%Change
				1970-1980	1980-1990	1990-2000	2000-2010
Urban	1,213.8	1,388.6	1,331.0	20.7%	1.6%	14.4%	(4.1)%
Rural Non-farm	1,307.2	1,409.7	1,591.1	28.4	5.0	7.8	12.9
Rural Farm	56.2	46.4	45.2	(67.6)	(33.7)	(17.4)	(2.6)
TOTAL/AVERAGE	2,577.2	2,844.7	2,967.3	13.6%	2.1%	10.4%	4.3%

Source: U.S. Department of Commerce, Bureau of the Census.

Employment

The service producing industries are the leading employers within the State employing 947,300 people or 82% of total non-agricultural employment as of August 2017. Other large employment sectors are government, trade and transportation, and manufacturing with each employing 239,300, 229,100, and 142,900, respectively, as of August 2017. Within the goods producing industry, the durable goods segment of the industry employed 94,600 and the nondurable goods segment employ 48,300. The leading manufacturers by product category are transportation equipment which includes ship building (46,200), food manufacturing (23,200) and furniture manufacturing (18,700). Although its importance has declined, agriculture continues to contribute significantly to the State's economy. The total employment in agriculture as of August 2017 was 32,600.

TEN LARGEST MISSISSIPPI MANUFACTURING EMPLOYERS⁽¹⁾

Manufacturer	Major Product	2016 Employment
Huntington Ingalls Industries	Ship Building	11,300
Nissan North America	Automobile Assembly	6,300
Sanderson Farms, Inc.	Processed Poultry	4,850
Howard Industries	Electronics	3,500
Cal-Maine Foods, Inc.	Poultry Egg Producer	2,872
Koch Foods of Mississippi, LLC	Poultry Processing	2,500
Ashley Furniture Industries	Furniture Manufacturing	2,264
United Furniture Industries	Furniture Manufacturing	2,000
VT Halter Marine	Ship Building	1,700
Cooper Tire & Rubber Co.	Tire Manufacturing	1,625

⁽¹⁾ Number of employees is based on an annual estimate by each employer as a part of a survey conducted by MDA and reflects actual direct employees without contractors or temporary workers employed by a third party.

Source: Mississippi Development Authority, Existing Industry and Business Division, Manufacturers Cross-Match Program 2017, Mississippi Business Journal.

RECENT MISSISSIPPI LABOR FORCE STATISTICS
(In Thousands of People)

Year/ Month	Civilian Labor Force	Total Employed	Unemployment Rate
2000	1,326.4	1,251.1	5.7
2001	1,305.3	1,233.9	5.5
2002	1,298.0	1,209.8	6.8
2003	1,312.1	1,229.0	6.3
2004	1,330.2	1,248.1	6.2
2005	1,343.2	1,237.2	7.9
2006	1,316.5	1,220.5	7.3
2007	1,317.9	1,234.1	6.4
2008	1,326.6	1,234.3	7.0
2009	1,300.3	1,176.8	9.5
2010	1,575.6	1,411.3	10.4
2011	1,344.6	1,203.6	10.5
2012	1,336.9	1,216.3	9.0
2013	1,299.1	1,194.2	8.7
2014	1,228.2	1,135.5	7.6
2015	1,163.6	1,187.3	6.5
2016	1,286.1	1,208.5	6.0
2017			
Jan	1,291.3	1,219.8	5.5
Feb	1,297.9	1,229.9	5.2
March	1,302.7	1,236.9	5.1
April	1,306.2	1,241.5	5.0
May	1,303.2	1,239.0	4.9
June	1,296.6	1,231.2	5.0
July	1,289.0	1,221.6	5.2
August	1,283.1 ⁽¹⁾	1,214.9 ⁽¹⁾	5.3 ⁽¹⁾

⁽¹⁾ Preliminary.

Source: U.S. Department of Labor Bureau of Labor Statistics, October 2017.

MISSISSIPPI ANNUAL EMPLOYMENT STATISTICS
(In Thousands of People)

	2013	2014	2015	2016	August 2017
Civilian labor force	1,286.4	1,252.2	1,267.7	1,280.4	1,283.1
Total employment	1,175.7	1,156.6	1,188.1	1,205.8	1,214.9
Agricultural ⁽¹⁾	35.3	23.7	32.6	32.3	32.6
Non-agricultural	1,111.9	1,119.1	1,126.8	1,150.4	1,153.5
All Other	28.5	13.8	28.7	23.1	28.8
Unemployment Rates					
Mississippi	8.6	7.7	6.3	5.8	5.3
United States	7.4	5.9	5.1	4.9	4.4
By Place of Employment					
Non-Agricultural	1,111.9	1,119.1	1,126.8	1,150.4	1,140.9
Manufacturing	136.5	141.7	140.8	143.1	142.9
Durable goods	90.0	94.7	93.6	95.0	94.6
Wood Product	8.7	8.9	8.5	8.9	9.1
Furniture & Related Products	17.4	18.1	18.4	18.9	18.7
Metal Products	9.8	10.0	9.7	10.0	9.8
Machinery Manufacturing	12.2	11.9	12.3	11.8	11.7
Electrical Equipment & Appliance	10.7	6.2	6.4	6.4	6.2
Transportation Equip ⁽²⁾	41.6	43.4	46.8	45.2	46.2
Nondurable goods	46.5	47.0	47.2	48.1	48.3
Food	22.0	21.8	22.0	23.0	23.2
Paper	3.8	3.6	3.6	3.9	3.9
Plastics & Rubber	5.8	6.1	6.1	6.8	6.9
Service Producing					
Industries	877.0	920.5	932.1	955.7	947.3
Mining ⁽³⁾	9.2	9.6	8.6	6.8	6.8
Construction	51.5	49.6	45.3	44.8	43.9
Information	12.6	12.3	13.5	12.1	12.2
Trade & Transportation	217.0	218.1	221.7	228.5	229.1
F.I.R. ⁽⁴⁾	44.7	43.9	44.4	44.0	44.1
Government	242.9	245.0	245.3	247.8	239.3
Education & Health Services ⁽⁵⁾	131.3	136.6	135.5	141.0	139.7
Leisure & Hospitality	127.4	126.9	131.6	134.1	135.9
Professional & Business	106.1	99.7	102.5	108.0	106.9
Other Services	37.7	38.0	37.6	40.2	40.1

⁽¹⁾ Mississippi Agricultural Statistics.

⁽²⁾ Motor Vehicle Parts, Ship and Boat Building.

⁽³⁾ Natural Resources and Mining.

⁽⁴⁾ Finance, Insurance, Real Estate and Rental.

⁽⁵⁾ Education, Health Care and Social Assistance.

Source: Mississippi Department of Employment Security, State & Metro Trends, www.mdes.ms.gov October 2017.

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Income

Services, government, trade and transportation, and manufacturing employment represent the largest components of earned personal income in the State.

COMPARISON OF MISSISSIPPI AND UNITED STATES PER CAPITA INCOME

Year	Mississippi	United States	Mississippi as a Percentage of United States
2000	\$20,920	\$29,760	70.3%
2001	21,653	30,413	71.2
2002	22,417	30,899	72.6
2003	23,466	31,472	74.6
2004	24,650	32,937	74.8
2005	25,318	34,586	73.2
2006	26,535	36,276	73.1
2007	28,845	38,611	74.7
2008	29,922	39,928	74.9
2009	30,103	39,138	76.9
2010	31,186	40,584	76.8
2011	31,882	41,415	77.0
2012	33,657	43,736	77.0
2013	34,478	44,543	77.4
2014	34,333	46,129	74.4
2015	34,771	47,669	72.9
2016	35,936	49,571	72.5

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, last updated May 2017, <http://www.bea.gov/regional/beatfacts>.

MISSISSIPPI PERSONAL INCOME STATISTICS (Rounded in Millions of Dollars)

	2013	2014	2015	2016	Preliminary 2017 ⁽¹⁾
Total Personal Income (by place of residence)	\$103,132	\$102,795	\$104,045	\$106,053	\$108,203
Earnings by Industry					
Farm	1,939	1,343	1,128	995	1,777
Agricultural Services ⁽¹⁾	572	689	524	535	539
Mining	1,462	1,388	1,199	861	824
Utilities	822	800	832	885	897
Construction	4,907	4,391	4,054	3,909	3,928
Manufacturing	8,430	8,441	8,696	8,904	9,010
Wholesale Trade	2,433	2,403	2,514	2,524	2,624
Retail Trade	4,916	4,966	5,122	5,333	5,422
Transportation and Warehousing	2,748	2,731	2,532	2,637	2,738
Information	844	820	809	748	725
Finance and Insurance	2,606	2,713	2,522	2,497	2,475
Real Estate, Rental and Leasing	906	1,023	893	862	881
Professional, Scientific and Technical Services	2,843	2,805	2,981	3,008	3,075
Management of Companies and Enterprises	1,019	986	1,032	1,059	1,075
Administrative and Waste Services	2,352	2,325	2,423	2,418	2,396
Educational Services	756	738	722	723	744
Health Care & Social Assistance	7,301	7,186	7,453	7,636	7,898
Arts, Entertainment and Recreation	319	341	282	349	287
Accommodation and Food Service	2,692	2,663	2,718	2,833	2,887
Other Services except Public Administrative	2,600	2,685	2,757	2,775	2,837
Government and Government Enterprises	14,455	14,344	14,930	15,212	15,486

(1) Agricultural services include forestry, fishing and related activities.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, September 2017.

UNITED STATES PERSONAL INCOME STATISTICS
(Rounded in Billions of Dollars)

	2013	2014	2015	2016	Prelim. 2017 ⁽¹⁾
Total Personal Income (by place of residence)	\$14,081.2	\$14,708.6	\$15,464.0	\$15,912.8	\$16,294.7
Earnings by Industry					
Agricultural, Forestry, Fishing, and Hunting ⁽²⁾	112.6	135.1	33.6 ⁽²⁾	104.6	107.9
Mining	176.3	179.5	166.3	110.7	124.4
Utilities	82.8	84.0	86.3	88.6	90.2
Construction	561.6	604.0	640.3	680.3	704.5
Manufacturing	988.3	1,017.5	1,056.0	1,059.2	1,074.7
Wholesale Trade	520.6	537.5	560.1	561.3	572.5
Retail Trade	600.3	635.7	656.6	675.3	693.5
Transportation and Warehousing	343.0	358.5	399.0	410.5	428.6
Information	326.8	350.2	372.2	385.4	394.6
Finance, Insurance, Real Estate, Rental and Leasing	712.4	976.9	1,006.6	1,017.2	1,038.3
Professional and Business Services	1,018.8	1,060.8	1,124.8	1,157.7	1,190.1
Educational Services, Health Care & Social Assistance	1,287.9	1,333.6	1,398.6	1,457.3	1,501.7
Arts, Entertainment, Recreation, Accommodation and Food Services	430.1	452.3	498.3	387.8	538.3
Other Services except Government	368.5	392.7	406.5	417.6	428.8
Government	1,715.7	1,750.3	1,834.3	1,883.5	1,922.3

⁽¹⁾ 2017 data consists only of two reporting quarters.

⁽²⁾ Data consists only of forestry, fishing and related activities.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, last revised on September 2017.

MISSISSIPPI GROSS TAXABLE SALES⁽¹⁾
For Fiscal Year Ended June 30
(In Millions of Dollars)

Industry Group	2009	2010	2011	2012	2013
Automotive	\$5,023.8	\$4,864.0	\$5,443.9	\$5,903.8	\$6,282.4
Machinery	2,656.0	2,380.9	2,705.0	3,099.3	3,578.6
Food & Beverage	7,658.4	7,712.5	7,889.1	8,193.2	8,449.3
Furniture	859.0	874.4	864.5	865.4	853.7
Gen. Merchant	7,697.2	7,496.0	7,592.4	7,732.8	7,896.8
Lumber	2,870.9	2,510.4	2,587.4	2,574.4	2,672.8
Misc. Retail	3,567.7	3,339.7	3,453.4	3,591.9	3,715.8
Misc. Services	2,829.5	2,580.1	2,796.3	2,719.8	2,683.2
Utilities	4,383.7	4,299.6	4,174.7	4,126.4	4,369.8
Contracting	7,771.2	6,088.3	5,694.5	5,418.9	5,353.8
Wholesale	763.5	756.6	785.3	800.0	816.1
Recreation	<u>136.4</u>	<u>144.9</u>	<u>145.5</u>	<u>152.7</u>	<u>153.1</u>
Total Taxable Sales	<u>\$46,217.2</u>	<u>\$43,047.4</u>	<u>\$44,132.1</u>	<u>\$45,178.7</u>	<u>\$46,825.5</u>

Source: Mississippi Department of Revenue, Fiscal Years 2009-2013.

⁽¹⁾ As of October 2013, Mississippi Department of Revenue converted to new computing technology used for accounting of sales tax. See page 52 for post 2013 years' data.

MISSISSIPPI GROSS TAXABLE SALES⁽¹⁾
For Fiscal Year Ended June 30
(In Millions of Dollars)

Industry Group	2014	2015	2016	Unaudited 2017
Agriculture, Forestry, Fishing and Hunting	\$ 11.4	\$ 11.8	\$ 16.6	\$ 19.4
Mining, Quarrying, and Oil & Gas Extraction	412.7	398.3	170.3	156.9
Utilities	1,439.0	1,271.3	1,147.2	1,226.2
Construction	5,716.0	5,461.1	4,994.2	5,229.6
Manufacturing	896.0	783.1	797.1	878.1
Retail Trade	25,048.8	25,605.0	26,582.7	28,720.8
Wholesale Trade	3,658.2	3,624.3	3,577.7	3,950.9
Information	2,635.7	2,706.5	2,696.7	2,760.0
Professional, Scientific & Technical Services	147.0	162.6	191.1	212.1
Management of Companies & Enterprises	.3	.3	.2	.2
Administrative, Support, Waste Management	335.2	361.7	391.2	443.8
Educational Services	4.6	.1	.1	.5
Health Care & Social Asst.	2.5	2.9	2.9	10.3
Arts, Entertainment, Recreation	125.0	122.8	123.1	149.1
Accommodation & Food Serv	4,590.8	4,802.4	5,069.4	8,798.2
Other Services	1,335.8	1,389.6	1,489.7	1,600.9
Public Administration	66.4	62.6	57.8	72.4
Finance & Insurance	47.0	50.6	54.4	77.6
Transportation & Warehousing	51.1	49.0	44.1	53.8
Real Estate, Rental & Leasing	<u>862.6</u>	<u>929.1</u>	<u>946.1</u>	<u>1,183.0</u>
Total Taxable Sales	<u>\$47,386.1</u>	<u>\$47,795.1</u>	<u>\$48,352.5</u>	<u>\$55,543.8</u>

⁽¹⁾ On October 7, 2013, accounting for sales tax converted to new computing technology. As part of that conversion, the Mississippi Department of Revenue's system for collecting sales tax data by industry type changed. Prior to Fiscal Year 2014, the Mississippi Department of Revenue used the Standard Industrial Classification (SIC) System to classify and organize industries. However, with the implementation of new technology, Mississippi Department of Revenue began using the North American Industry Classification System (NAICS) when classifying industry types for sales tax collections. NAICS was developed in 1997 by the federal government and replaced the Standard Industrial Classification (SIC) System throughout the United States as the primary system for collecting statistical data. As a result of the conversion, the previous Fiscal Year data included in prior year sales tax reports are not comparable to earlier reports.

Source: Mississippi Department of Revenue, Fiscal Years 2014-2017.

RATINGS

Fitch Ratings ("Fitch"), Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Financial Services LLC ("S&P"), have assigned ratings of "_____" "_____" and "_____" respectively, to the Series 2017 Bonds. An explanation of the significance of such ratings may be obtained from the agencies which assigned the ratings.

There is no assurance that present or future ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies, if in the judgment of any or all of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of any or all of such ratings may have an adverse effect on the market price of the Series 2017 Bonds.

A securities rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time.

CONTINUING DISCLOSURE

Securities and Exchange Commission ("SEC") Rule 15c2-12 (the "Rule"), which was originally adopted by the SEC in 1989 under the Securities Exchange Act of 1934, sets forth certain disclosure requirements relating to a primary offering of municipal securities. The Rule requires that, prior to purchasing or selling municipal securities, brokers, dealers, and municipal securities dealers must reasonably determine that the issuer of such municipal securities, together with any other "obligated persons," within the meaning of the Rule, have entered into an undertaking for the benefit of bondholders to make certain information available to bondholders on a continuing basis. The State is an "obligated person" with respect to the Series 2017 Bonds within the meaning of the Rule.

The State will enter into written undertakings for the benefit of the bondholders for the Series 2017 Bonds to deliver, or cause to be delivered, to (a) the Municipal Securities Rulemaking Board (the "MSRB") through MSRB's Electronic Municipal Market Access system at <http://emma.msrb.org> ("EMMA") in the electronic format then prescribed by the SEC pursuant to the Rule, and (b) any public or private repository or entity designated by the State as a State repository, if any, for the purposes of the Rule, the information described in the undertaking, including, but not limited to, annual financial reports and notices of certain material events, together with any identifying information or other information then required to accompany the applicable filing. This information will be made available free to securities brokers and others through EMMA. For the procedures for all filings and notices due to the MSRB, instructions will be provided on the following website for MSRB: <http://emma.msrb.org>.

For a summary of the State's undertakings, see "APPENDIX C - FORMS OF CONTINUING DISCLOSURE CERTIFICATES".

The State is current in all material respects with its previous continuing disclosure undertakings under the Rule. However, there have been some instances in the previous five years in which the State filed its annual undertakings late. The State's CAFR for fiscal year 2011 was filed with EMMA on May 30, 2012. In addition, due to the change in the State's accounting system (see "'FISCAL OPERATIONS OF THE STATE - Accounting Systems" herein), although the State's unaudited financial statement was filed timely along with its annual report, the State's CAFR for fiscal year 2015 was not filed on EMMA until May 31, 2016. Likewise, the State has in the past failed to timely file certain event notices such as ratings changes and refunding notices and has also on occasion failed to link its filings to all of its CUSIPs. The State has taken steps to ensure that it will timely comply with all undertakings in the future. Specifically, the State has approved a "State of Mississippi Debt Management Policy" which provides detailed procedures for the timely filing of continuing disclosure by the State. Also, the State has engaged FSC Continuing Disclosure Services, a Division of Hilltop Securities, Inc., Dallas, Texas, as dissemination agent to assist with compliance with the terms of its undertakings.

LITIGATION

The Attorney General's Office has reviewed the status of pending litigation involving the State. The State is party to various legal proceedings that arise in the normal course of governmental operations.

It is anticipated, regardless of the ultimate outcome of any litigation, that neither the courts nor the Mississippi Legislature will act inconsistently with the State's financial ability to pay all outstanding bonded indebtedness and the interest thereon. It is not anticipated that the ultimate outcome of any or all of the pending litigation will result in obligations exceeding the financial resources of the State, so that in all events it is reasonable to expect that the State will remain in a sufficiently viable financial position to meet all of these obligations, including, but not limited to, the Series 2017 Bonds provided the same are issued, sold and delivered. To predict with any degree of accuracy the ultimate outcome of any litigation would be conjectural.

VALIDATION

Prior to issuance, the Series 2017 Bonds will be validated before the Chancery Court of the First Judicial District of Hinds County, Mississippi, as provided in Sections 31-13-1 *et seq.*, Mississippi Code of 1972, as amended.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incident to the authorization and issuance of the Series 2017 Bonds are subject to the approving legal opinions of Jones Walker LLP, Jackson, Mississippi, Bond Counsel, whose approving legal opinions will be available at the time of delivery of the Series 2017 Bonds (see APPENDIX E, herein). Certain legal matters with respect to the State will be passed upon by the State Attorney General, Jim Hood, Esq. (see APPENDIX D, herein).

FINANCIAL ADVISOR

The State has retained Hilltop Securities, Inc., Dallas, Texas, as independent municipal advisor (the "Financial Advisor") in connection with the sale and issuance of the Series 2017 Bonds. In such capacity the Financial Advisor has provided recommendations and other financial guidance to the State with respect to the preparation of documents, the preparation for the sale of the Series 2017 Bonds and of the time of the sale, tax-exempt and taxable bond market conditions and other factors related to the sale of the Series 2017 Bonds. Although the Financial Advisor performed an active role in the drafting of this Official Statement, it has not independently verified any of the information set forth herein.

TAX MATTERS

The Series 2017D Bonds

The Internal Revenue Code of 1986, as amended and supplemented (the "Code"), includes requirements which the State must continue to meet after the issuance of the Series 2017D Bonds in order that interest on the Series 2017D Bonds not be includable in gross income for federal income tax purposes. The State's failure to meet these requirements may cause interest on the Series 2017D Bonds to be includable in gross income for federal income tax purposes retroactive to its date of issuance. The State has covenanted in the Series 2017D Bonds Resolution and certain certificates to comply with the requirements of the Code in order to maintain the excludability of interest on the Series 2017D Bonds from gross income for federal income tax purposes.

In the opinion of Bond Counsel, assuming compliance by the State with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, interest on the Series 2017D Bonds is excludable from gross income for federal income tax purposes. Interest on the Series 2017D Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2017D Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations.

Bond Counsel is further of the opinion that under existing laws, regulations, rulings, and judicial decisions, interest on the Series 2017D Bonds is exempt from income taxation in the State.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2017D Bonds. Ownership of tax-exempt obligations such as the Series 2017D Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations, certain S corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2017D Bonds should consult their tax advisors as to the applicability and impact of any such collateral consequences.

Future Legislation

The federal government is considering various legislative proposals for reducing the federal budget deficit and the federal debt and promoting economic growth, and some of these proposals, if enacted, could affect the tax-exempt status of state and local bonds, such as the Series 2017D Bonds. Owners of the Series 2017D Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the environmental tax, the branch profits tax and the tax on passive investment income of corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2017D Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007, to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The new reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2017D Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

The Series 2017E Bonds

INTEREST ON THE SERIES 2017E BONDS SHOULD BE TREATED AS INCLUDABLE IN GROSS INCOME OF THE HOLDERS THEREOF FOR FEDERAL INCOME TAX PURPOSES.

In the opinion of Bond Counsel, under existing laws, regulations, rulings, and judicial decisions, interest on the Series 2017E Bonds is exempt from income taxation in the State.

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of the predictions and estimates will be realized.

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Series 2017 Bonds, the security for the payment of the Series 2017 Bonds and the rights and obligations of the registered owners thereof.

References herein to the Resolutions, the State's Constitution, the Act, and all other legislative acts referred to herein are only summaries, excerpts or brief outlines of certain provisions thereof and do not purport to summarize or describe all provisions thereof. Additional information may be obtained upon request from the Office of the State Treasurer, 1101 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi, 39201, (601) 359-3600, Attention: Mr. Jesse Graham, Deputy Treasurer, or from the Department of Finance and Administration, 1301 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi 39201, (601) 359-3160, Attention: Mr. Steven McDevitt, Director, Bond Advisory Division.

The execution of this Official Statement has been duly authorized by the Commission.

STATE OF MISSISSIPPI

By: Phil Bryant
Phil Bryant, Governor

By: Jim Hood
Jim Hood, Attorney General

By: Lynn Fitch
Lynn Fitch, State Treasurer

Prepared by: Office of the State Treasurer
1101 Woolfolk Building, Suite A
501 North West Street
Jackson, Mississippi 39201
(601) 359-3600

Department of Finance and Administration
1301 Woolfolk Building, Suite A
501 North West Street
Jackson, Mississippi 39201
(601) 359-3160

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APPENDIX A

Debt Service on the Series 2017D Bonds

Debt Service on the Series 2017E Bonds

General Fund Cash Flow by Months

DEBT SERVICE ON THE SERIES 2017D BONDS

\$52,825,000
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

Fiscal Year Ending June 30	Principal	Interest	Total Principal & Interest
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
Total			

DEBT SERVICE ON THE SERIES 2017E BONDS

\$45,225,000

**STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION BONDS,
SERIES 2017E**

Fiscal Year Ending June 30	Principal	Interest	Total Principal &
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			

GENERAL FUND CASH FLOW BY MONTHS

January 2006 through September 2017
(In Millions of Dollars)

	Beginning Balance	Receipts	Disbursements	Ending Balance	Borrowing from Special Funds	Borrowing from Working Cash Balance Revolving
2006						
January	\$ 207.4	\$ 350.6	\$ 315.0	\$ 218.0	\$ (25.0)	\$.0
February	218.0	289.5	368.1	176.4	37.0	.0
March	176.4	410.9	371.9	293.2	67.8	.0
April	283.2	469.3	269.9	254.5	(200.0)	(1.1)
May	254.5	532.2	362.9	258.6	.0	(165.2)
June	258.6	582.1	462.8	331.8	(50.0)	3.9
July	331.8	255.7	398.1	263.3	70.0	3.9
August	263.3	325.8	368.5	340.6	120.0	.0
September	313.9	432.1	596.6	373.4	224.0	.0
October	373.4	418.1	443.6	294.3	.0	(53.6)
November	294.3	333.4	360.3	267.4	.0	.0
December	267.4	353.1	293.7	286.5	(40.3)	.0
2007						
January	286.5	275.4	338.9	223.0	.0	.0
February	223.0	287.8	341.5	169.3	.0	.0
March	169.3	415.9	450.9	54.3	(80.0)	.0
April	54.3	509.1	286.5	126.9	(150.0)	.0
May	126.9	398.7	309.2	96.4	(90.0)	(30.0)
June	96.4	639.2	292.7	415.3	.0	(27.6)
July	415.3	255.3	545.8	124.8	.0	.0
August	124.8	336.3	442.1	93.4	16.0	58.4
September	93.4	477.4	453.3	117.5	.0	.0
October	117.5	416.3	649.3	54.5	170.0	.0
November	54.5	338.1	381.2	66.2	(136.0)	190.8
December	66.2	384.4	332.7	117.9	.0	.0
2008						
January	117.9	393.7	436.6	75.0	.0	.0
February	75.0	280.6	446.8	109.6	200.0	.8
March	109.6	445.7	432.5	72.8	(50.0)	.0
April	72.8	539.9	413.7	199.5	.0	.5
May	199.5	412.4	456.7	55.2	(100.0)	.0
June	55.2	646.8	336.0	87.8	(100.0)	(249.5)
July	87.8	263.2	509.0	92.0	.0	250.0
August	92.0	368.9	531.4	150.1	125.0	95.6
September	150.1	453.6	389.4	214.3	.0	.0
October	214.3	421.8	542.0	94.1	.0	.0
November	94.1	357.7	378.5	73.3	.0	.0
December	73.3	366.7	358.2	111.1	25.0	4.3
2009						
January	111.1	369.8	431.0	124.9	75.0	.0
February	124.9	268.3	423.6	154.7	185.0	.0
March	154.7	447.6	444.6	157.7	.0	.0
April	157.7	475.6	354.7	178.7	(100.0)	.0
May	178.7	366.7	331.2	114.2	(100.0)	.0
June	114.2	769.8	307.6	16.5	(300.0)	(259.9)
July	16.5	277.2	483.6	161.1	106.0	246.0
August	161.1	338.7	454.3	180.6	150.0	(15.0)
September	180.6	411.0	436.4	155.2	0.0	0.0
October	155.2	395.2	486.5	63.9	0.0	0.0
November	63.9	335.8	335.5	64.2	0.0	0.0
December	64.2	350.5	313.5	131.5	160.0	(130.0)
2010						
January	131.3	323.1	333.7	120.4	0.0	(0.175)
February	120.4	270.4	360.9	155.0	125.0	0.0
March	155.0	464.6	451.9	117.7	(50.0)	0.0
April	117.7	486.8	323.1	120.9	(160.5)	0.0
May	120.9	356.3	261.6	95.6	(120.0)	0.0

	Beginning Balance	Receipts	Disbursements	Ending Balance	Borrowing from Special Funds	Borrowing from Working Cash Balance Revolving
June	95.6	578.1	264.7	98.8	(79.5)	(230.8)
July	98.8	251.9	375.2	125.5	0.0	150.0
August	125.5	337.3	390.5	152.8	0.0	80.5
September	152.8	410.6	419.8	143.6	0.0	0.0
October	143.6	402.3	493.0	52.8	0.0	0.0
November	52.8	326.0	403.1	180.6	178.4	26.5
December	180.6	350.9	296.2	180.9	(54.4)	0.0
2011						
January	180.9	333.1	349.6	164.5	0.0	0.0
February	164.5	234.1	333.4	160.1	95.0	0.0
March	160.1	472.3	403.4	229.1	0.0	0.0
April	229.1	529.2	360.9	177.9	(219.0)	(0.5)
May	177.9	357.3	358.5	176.6	0.0	0.0
June	176.6	597.2	366.9	150.5	(91.0)	(165.5)
July	150.5	245.3	387.2	128.6	0.0	120.0
August	128.6	340.3	416.0	109.4	0.0	56.5
September	109.4	451.7	429.2	131.9	0.0	0.0
October	131.9	423.0	579.9	-25.1	0.0	0.0
November	-25.1	335.2	313.9	256.3	260.0	0.0
December	256.3	363.5	304.1	315.6	0.0	0.0
2012						
January	315.6	349.1	384.1	124.7	(156.0)	0.0
February	124.7	261.8	422.6	128.9	165.0	0.0
March	128.9	517.6	361.1	135.4	(150.0)	0.0
April	135.4	545.3	359.4	121.3	(200.0)	0.0
May	121.3	389.9	357.3	103.9	(7.0)	(43.0)
June	103.9	648.9	512.5	194.9	0.0	(45.5)
July	194.9	268.8	410.4	193.9	40.0	100.6
August	193.9	330.8	420.4	104.4	0.0	0.0
September	104.4	429.8	411.1	123.1	(100.6)	100.6
October	123.1	465.5	498.2	90.4	0.0	0.0
November	90.4	337.2	417.4	260.2	0.0	250.0
December	260.2	384.9	328.7	316.5	0.0	0.0
2013						
January	316.5	365.3	395.4	136.4	(150.0)	0.0
February	136.4	292.2	344.3	84.3	0.0	0.0
March	84.3	506.4	432.8	157.9	0.0	0.0
April	157.9	516.2	435.2	238.3	0.0	(0.5)
May	238.4	554.7	370.9	422.2	0.0	0.0
June	422.2	666.8	362.0	487.0	0.0	(240.1)
July	487.0	275.1	477.3	284.8	0.0	0.0
August	284.8	383.6	464.5	203.9	0.0	0.0
September	203.9	494.9	885.4	94.9	0.0	281.5
October	94.9	454.0	424.9	123.5	0.0	(0.5)
November	123.5	349.3	428.8	44.0	0.0	0.0
December	44.0	455.0	315.0	344.0	160.0	0.0
2014						
January	344.0	347.4	397.4	134.0	(160.0)	0.0
February	134.0	371.6	360.3	145.3	0.0	0.0
March	145.3	539.1	471.2	213.3	0.0	0.0
April	213.3	584.3	432.2	364.9	0.0	(0.5)
May	364.9	468.37	407.2	255.8	(0.5)	(170.0)
June	255.8	680.4	426.1	481.0	80.0	(110.0)
July	481.0	298.4	442.6	336.6	0.0	0.0
August	336.6	361.2	440.1	257.8	0.0	0.0
September	257.8	501.4	568.6	190.5	0.0	0.0
October	190.5	459.5	593.5	166.5	110.0	0.0
November	166.5	388.1	628.3	380.1	453.9	0.0
December	380.1	502.0	674.1	208.0	0.0	0.0

	Beginning Balance	Receipts	Disbursements	Ending Balance	Borrowing from Special Funds	Borrowing from Working Cash Balance Revolving
2015						
January	208.0	368.3	399.0	177.4	0.0	0.0
February	177.4	336.3	390.7	123.0	0.0	0.0
March	123.0	590.2	516.1	197.1	0.0	0.0
April	197.1	627.9	444.2	380.8	0.0	0.0
May	380.8	338.9	405.1	364.6	0.0	0.0
June	364.6	712.5	329.2	184.0	(397.0)	(166.9)
July	184.0	294.2	515.3	359.9	397.0	0.0
August	359.9	396.2	533.7	222.4	0.0	0.0
September	222.4	485.8	672.5	135.7	0.0	0.0
October	135.7	470.0	546.5	159.2	100.0	0.0
November	159.2	383.3	516.6	425.8	400.0	0.0
December	425.8	459.1	452.1	432.9	0.0	0.0
2016						
January	432.9	384.3	465.5	339.5	(14.8)	2.6
February	339.5	372.2	394.4	321.8	0.0	4.5
March	321.8	676.8	622.0	326.6	0.0	(50.0)
April	326.6	550.0	442.5	434.6	0.0	0.4
May	434.6	471.0	406.3	287.6	(111.8)	(100.0)
June	287.6	688.1	341.9	48.5	(385.2)	(200.0)
July	48.5	302.4	463.1	287.8	0.0	400.0
August	287.8	415.9	514.1	189.6	0.0	0.0
September	188.9	576.7	590.9	174.6	0.0	0.0
October	174.6	527.8	623.3	79.1	0.0	0.0
November	79.1	363.3	537.9	149.0	245.3	(0.9)
December	149.0	466.3	427.3	388.0	200.0	0.0
2017						
January	388.0	399.3	482.2	101.0	(205.5)	1.5
February	101.0	317.1	443.2	164.4	190.0	0.5
March	164.4	532.4	447.1	242.7	0.0	(7.0)
April	242.7	778.7	458.2	463.2	(100.0)	0.0
May	463.2	407.0	348.5	196.7	(300.0)	(25.0)
June	196.7	685.0	362.5	121.3	(142.1)	(255.8)
July	121.3	310.6	493.5	138.4	0.0	200.0
August	138.4	412.0	565.0	185.5	0.0	200.0
September	185.5	491.3	531.5	145.2	0.0	0.0

Source: Department of Finance and Administration.

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APPENDIX B

**EXCERPTS FROM 2016 AUDITED FINANCIAL
STATEMENTS**

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APPENDIX C

FORMS OF CONTINUING DISCLOSURE CERTIFICATES

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CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the State of Mississippi (the "Issuer" or the "State") in connection with the issuance of the \$_____ State of Mississippi General Obligation Bonds, Series 2017D (the "Series 2017D Bonds"). The Series 2017D Bonds are being issued pursuant to a resolution of the State Bond Commission of the State dated _____, 2017 (the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Series 2017D Bonds and the beneficial owners of the Series 2017D Bonds and in order to assist the Participating Underwriters in complying with SEC Rule 15c2-12(b)(5)(i)(C).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" shall mean FSC Continuing Disclosure Services, a division of Hilltop Securities Inc., Dallas, Texas, and any successors thereto, which has been designated by the Department of Finance and Administration, an agency of the State, to serve as Dissemination Agent to the State

"EMMA" shall mean the Electronic Municipal Market Access System found at <http://emma.msrb.org> which is the electronic format prescribed by the MSRB pursuant to the Rule.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board. The electronic filings with the MSRB shall be through EMMA.

"Participating Underwriters" shall mean any of the original underwriters of the Series 2017D Bonds required to comply with the Rule.

"Repository" shall mean the MSRB and each State Repository, if any.

"Rule" shall mean Rule 15c2-12(b)(5)(i)(C) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended and supplemented.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Repository.

SECTION 3. Provision of Annual Reports. The Issuer shall, or shall cause the Dissemination Agent to, not later than February 1 of each year, provide to each Repository an Annual Report which is consistent with the requirements of Sections 3 and 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Sections 3 and 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report. If the audited financial statements of the Issuer are publically unavailable on February 1 of each year, the Issuer agrees to provide unaudited financial statements and such audited financial statements if and when publically available.

If the Issuer is unable to provide the Repositories an Annual Report by the date required in the immediately preceding paragraph, the Issuer shall send a notice to each Repository.

The Dissemination Agent shall determine each year prior to the date for providing the Annual Report the name and address of each Repository.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall be the Comprehensive Annual Financial Report of the State prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events in a timely manner not in excess of ten (10) business days after the occurrence thereof, if material. All fifteen (15) events mandated by the Rule are listed below; however, some may not apply to the Series 2017D Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on the credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modification to rights of security holders;
- (8) Bond calls;
- (9) Tender offers;
- (10) Defeasances;
- (11) Release, substitution or sale of property securing repayment of the securities;
- (12) Rating changes;
- (13) Bankruptcy, insolvency, receivership or similar event of the State;
- (14) Consummation of a merger, consolidation, or acquisition involving the State or the sale of all or substantially all of the assets of the State, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
- (15) The appointment of a successor or additional trustee or the change of name of a trustee.

(b) Any Listed Event under subsection (a)(1), (3), (4), (5), (6), (9), (10), (12), or (13) of this Section 5 will always be deemed to be material.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Series 2017D Bonds.

SECTION 7. Dissemination Agent. The Issuer has engaged the Dissemination Agent to assist it in disseminating information hereunder. The Issuer shall send the information required by Sections 3 and 4 hereof and event notices required by this Disclosure Certificate to the Dissemination Agent. Unless otherwise agreed to, the Dissemination Agent shall, as soon as practicable but not later than five (5) days after receipt of such information, forward the same to (i) the MSRB and State Repository, if any, as described herein, and (ii) any beneficial holder of the Series 2017D Bonds who requests such information in writing to the Dissemination Agent or the Issuer. The Dissemination Agent shall have no duty to review the materials described in this paragraph prior to disseminating such materials.

The initial Dissemination Agent shall be FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc., Dallas, Texas. The Issuer may discharge the Dissemination Agent or any successor Dissemination Agent, but in such event shall take steps necessary to appoint a successor Dissemination Agent who shall be responsible for undertaking all responsibilities of dissemination hereunder.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of a Series 2017D Bonds or the Participating Underwriter may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an "event of default" under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The obligations of the Issuer under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Series 2017D Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters, holders from time to time of the Series 2017D Bonds, and beneficial owners of the Series 2017D Bonds and shall create no rights in any other person or entity.

SECTION 13. Prior Disclosure. The State is current in all material respects with its previous continuing disclosure undertakings under the Rule. However, there have been some instances in the previous five years in which the State filed its annual undertakings late. The State's CAFR for fiscal year 2011 was filed with EMMA on May 30, 2012. In addition, due to the change in the State's accounting, although the State's unaudited financial statement was filed timely along with its annual report, the State's CAFR for fiscal year 2015 was not filed on EMMA until May 31, 2016. Likewise, the State has in the past failed to timely file certain event notices such as ratings changes and refunding notices and has also on occasion failed to link its filings to all of its CUSIPs. The State has taken steps to ensure that it will timely comply with all undertakings in the future. Specifically, the State has approved a "State of Mississippi Debt Management Policy" which provides detailed procedures for the timely filing of continuing disclosure by the State. Also, the State has engaged FSC Continuing Disclosure Services, a Division of Hilltop Securities, Inc., Dallas, Texas, as dissemination agent to assist with compliance with the terms of its undertakings.

Date: _____, 2017

STATE OF MISSISSIPPI

By: _____
Governor and Ex officio Chairman of the
State Bond Commission

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the State of Mississippi (the "Issuer" or the "State") in connection with the issuance of the \$_____ State of Mississippi Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds"). The Series 2017E Bonds are being issued pursuant to a resolution of the State Bond Commission of the State dated _____, 2017 (the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Series 2017E Bonds and the beneficial owners of the Series 2017E Bonds and in order to assist the Participating Underwriters in complying with SEC Rule 15c2-12(b)(5)(i)(C).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" shall mean FSC Continuing Disclosure Services, a division of Hilltop Securities Inc., Dallas, Texas, and any successors thereto, which has been designated by the Department of Finance and Administration, an agency of the State, to serve as Dissemination Agent to the State.

"EMMA" shall mean the Electronic Municipal Market Access System found at <http://emma.msrb.org> which is the electronic format prescribed by the MSRB pursuant to the Rule.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board. The electronic filings with the MSRB shall be through EMMA.

"Participating Underwriters" shall mean any of the original underwriters of the Series 2017E Bonds required to comply with the Rule.

"Repository" shall mean the MSRB and each State Repository, if any.

"Rule" shall mean Rule 15c2-12(b)(5)(i)(C) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended and supplemented.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Repository.

SECTION 3. Provision of Annual Reports. The Issuer shall, or shall cause the Dissemination Agent to, not later than February 1 of each year, provide to each Repository an Annual Report which is consistent with the requirements of Sections 3 and 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Sections 3 and 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report. If the audited financial statements of the Issuer are publically unavailable on February 1 of each year, the Issuer agrees to provide unaudited financial statements and such audited financial statements if and when publically available.

If the Issuer is unable to provide the Repositories an Annual Report by the date required in the immediately preceding paragraph, the Issuer shall send a notice to each Repository.

The Dissemination Agent shall determine each year prior to the date for providing the Annual Report the name and address of each Repository.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall be the Comprehensive Annual Financial Report of the State prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events in a timely manner not in excess of ten (10) business days after the occurrence thereof, if material. All fifteen (15) events mandated by the Rule are listed below; however, some may not apply to the Series 2017E Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on the credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modification to rights of security holders;
- (8) Bond calls;
- (9) Tender offers;
- (10) Defeasances;
- (11) Release, substitution or sale of property securing repayment of the securities;
- (12) Rating changes;
- (13) Bankruptcy, insolvency, receivership or similar event of the State;
- (14) Consummation of a merger, consolidation, or acquisition involving the State or the sale of all or substantially all of the assets of the State, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
- (15) The appointment of a successor or additional trustee or the change of name of a trustee.

(b) Any Listed Event under subsection (a)(1), (3), (4), (5), (6), (9), (10), (12), or (13) of this Section 5 will always be deemed to be material.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Series 2017E Bonds.

SECTION 7. Dissemination Agent. The Issuer has engaged the Dissemination Agent to assist it in disseminating information hereunder. The Issuer shall send the information required by Sections 3 and 4 hereof and event notices required by this Disclosure Certificate to the Dissemination Agent. Unless otherwise agreed to, the Dissemination Agent shall, as soon as practicable but not later than five (5) days after receipt of such information, forward the same to (i) the MSRB and State Repository, if any, as described herein, and (ii) any beneficial holder of the Series 2017E Bonds who requests such information in writing to the Dissemination Agent or the Issuer. The Dissemination Agent shall have no duty to review the materials described in this paragraph prior to disseminating such materials.

The initial Dissemination Agent shall be FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc., Dallas, Texas. The Issuer may discharge the Dissemination Agent or any successor Dissemination Agent, but in such event shall take steps necessary to appoint a successor Dissemination Agent who shall be responsible for undertaking all responsibilities of dissemination hereunder.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of a Series 2017E Bonds or the Participating Underwriter may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an "event of default" under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The obligations of the Issuer under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Series 2017E Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters, holders from time to time of the Series 2017E Bonds, and beneficial owners of the Series 2017E Bonds and shall create no rights in any other person or entity.

SECTION 13. Prior Disclosure. The State is current in all material respects with its previous continuing disclosure undertakings under the Rule. However, there have been some instances in the previous five years in which the State filed its annual undertakings late. The State's CAFR for fiscal year 2011 was filed with EMMA on May 30, 2012. In addition, due to the change in the State's accounting, although the State's unaudited financial statement was filed timely along with its annual report, the State's CAFR for fiscal year 2015 was not filed on EMMA until May 31, 2016. Likewise, the State has in the past failed to timely file certain event notices such as ratings changes and refunding notices and has also on occasion failed to link its filings to all of its CUSIPs. The State has taken steps to ensure that it will timely comply with all undertakings in the future. Specifically, the State has approved a "State of Mississippi Debt Management Policy" which provides detailed procedures for the timely filing of continuing disclosure by the State. Also, the State has engaged FSC Continuing Disclosure Services, a Division of Hilltop Securities, Inc., Dallas, Texas, as dissemination agent to assist with compliance with the terms of its undertakings.

Date: _____, 2017

STATE OF MISSISSIPPI

By: _____
Governor and Ex officio Chairman of the
State Bond Commission

APPENDIX D
FORM OF OPINION OF ATTORNEY GENERAL

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STATE OF MISSISSIPPI

OFFICE OF THE ATTORNEY GENERAL
OFFICIAL ATTORNEY GENERAL'S OPINION

[FORM OF OPINION OF ATTORNEY GENERAL]

_____, 2017

JIM HOOD
ATTORNEY GENERAL

State Bond Commission
State of Mississippi
Jackson, Mississippi

Re:

\$ _____ State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt), dated
_____, 2017 (the "Series 2017D Bonds")

\$ _____ State of Mississippi Taxable General Obligation Bonds, Series 2017E, dated
_____, 2017 (the "Series 2017E Bonds")

The Series 2017D Bonds and the Series 2017E Bonds are, together, referred to as the "Series 2017 Bonds."

Commission Members:

The opinion as hereinafter set forth is submitted regarding several matters pertaining to the sale and issuance of the above referenced Series 2017 Bonds of the State of Mississippi (the "State").

There are three members of the State Bond Commission (the "Commission") and, in addition to being a member of the Commission, the Attorney General is legal advisor to the Commission.

The Commission is authorized to issue the Series 2017D Bonds under the provisions of Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; pursuant to the provisions of Section 5 of House Bill 1729 of the 2016 Regular Session of the State Legislature, (the "2016 Mississippi State Fairgrounds Improvement Act"); pursuant to Section 1 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 IHL Capital Improvements Act"); pursuant to Sections 1 and 2 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Capital Improvements Act"); pursuant to Section 14 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Partnership School Construction Act"); pursuant to Section 2 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 Community and Junior Colleges Capital Improvements Act"); pursuant to Section 39-5-145, Mississippi Code of 1972, as amended, including, but not limited to, Sections 24 and 25 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "Mississippi Community Heritage Preservation Grant Act"); pursuant to Section 13 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016

Mississippi Arts and Entertainment Act"); pursuant to Section 33 of House Bill 787 of the 2014 Regular Session of the State Legislature (the "2014 City of Madison I-55 Connector Construction Act"); pursuant to Section 31 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 City of Terry Historic Preservation Act"); pursuant to Section 47 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mount Olive Park Improvements Act"); pursuant to Section 74 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Natchez Seminary Repair and Renovation Act") (collectively, the "Series 2017D Bonds Act"); and a resolution adopted by the members of the Commission on _____, 20____ (the "Series 2017D Bonds Resolution"), purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds, all as authorized under the Series 2017D Bonds Act and the Series 2017D Bond Resolution.

The Commission is authorized to issue the Series 2017E Bonds under the provisions of Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; the Mississippi Major Economic Impact Act, Section 34 of Senate Bill 2913, of the 2013 Regular Session of the State Legislature, and Section 18 of House Bill 1729 of the 2016 Regular Session of the State Legislature; Section 57-1-16, Mississippi Code of 1972, as amended, including, but not limited to, Section 22 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (collectively, the "ACE Act"); Section 57-1-701, Mississippi Code of 1972, as amended, including, but not limited to, Sections 1 and 2 of Senate Bill 3033 of the 2017 Regular Session of the State Legislature (collectively, the "Mississippi Site Development Grant Act"); and, Section 57-61-36, Mississippi Code of 1972, as amended, including, but not limited to, Section 11 of House Bill 787, 2014 Regular Session of the State Legislature (collectively, the "Development Infrastructure Grant Act") (collectively, the "Series 2017E Bonds Act"); and a resolution adopted by the Commission on _____, 20____ (the "Series 2017E Bonds Resolution" and together with the Series 2017D Bonds Resolution, the "Resolutions"), for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized under the Series 2017E Bonds Act and the Series 2017E Bonds Resolution.

The Series 2017D Bonds Act and the Series 2017E Bonds Act, together, shall be referred to as the "Act." The Series 2017D Bonds Resolution and the Series 2017E Bonds Resolution, together, shall be referred to as the "Resolutions."

The existing State Constitution is the Mississippi Constitution of 1890. Protection for the contractual obligations owed holders of the Series 2017 Bonds arising from the issuance of the Series 2017 Bonds is expressed in the provisions of Section 16 of the Constitution:

Ex post facto laws, or laws impairing the obligation of contracts shall not be passed.

I am of the opinion that when the Series 2017 Bonds are validated, issued, and delivered, such Series 2017 Bonds shall constitute a contract as contemplated by Section 16, *supra*, and shall enjoy the full protection thereof.

The Series 2017 Bonds have been subjected to validation by a competent State court. Validation procedure is prescribed by statute and requires that the submission for validation shall be accompanied by the written opinion of the State's Bond Attorney, an attorney appointed by the Governor of the State and who shall possess the same qualifications for office as the Attorney General.

Section 31-13-7, Mississippi Code of 1972, as amended and supplemented, provides that when a decree shall be entered confirming and validating bonds and there shall be no appeal from the decree, or if on appeal the Supreme Court enters its decree confirming and validating such bonds, the validity of such bonds shall never be called in question in any court in the State.

A Certificate of Non-litigation shall be rendered by the Attorney General certifying the finality of validation prior to delivery of the Series 2017 Bonds.

As to general obligations, the Act and the Resolutions provide generally:

The bonds issued under the provisions hereof are general obligations of the State, and for the repayment thereof the full faith and credit of the State is irrevocably pledged. If the funds appropriated by the Legislature are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated.

It is my opinion that the Series 2017 Bonds have been duly and validly authorized, issued, executed, and delivered by and on behalf of the State, that the Series 2017 Bonds constitute valid and binding general obligations of the State enforceable in accordance with the terms thereof (except to the extent that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, and to the exercise of judicial discretion in accordance with general principles of equity), and that for the payment thereof, the full faith, credit, and taxing power of the State is irrevocably pledged.

In connection with the sale and issuance of the Series 2017 Bonds, the State will deliver its Continuing Disclosure Certificates dated as of the date of the issuance and delivery of the Series 2017 Bonds. The Continuing Disclosure Certificates will be delivered by the State for the benefit of the holders of the Series 2017 Bonds and in order to assist the participating underwriters or purchasers in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

It is my opinion that the Continuing Disclosure Certificates have been duly and validly authorized, executed, and delivered by and on behalf of the State and constitute valid and binding obligations of the State enforceable in accordance with the terms thereof (except to the extent that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, and to the exercise of judicial discretion in accordance with general principles of equity).

The Mississippi Legislature enacted Section 11-46-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented, to address the tort liability of the State and its political subdivisions. This act creates an immunity and then waives this immunity except in certain situations up to a maximum of five hundred thousand dollars (\$500,000.00) per occurrence.

When the Attorney General of the State shall give his opinion in writing to an officer, board, commission, department, or person authorized to require such written opinion, there shall be no liability, civil or criminal, accruing to or against such body or person who in good faith follows the direction of such opinion and acts in accordance therewith, unless a court of competent jurisdiction, after a full hearing, shall publicly declare that such opinion is manifestly wrong and without any substantial support.

This opinion is being rendered in connection with the issuance of the Series 2017 Bonds and in anticipation that it will be relied upon by Bond Counsel, in rendering its opinion with respect to the Series 2017 Bonds, and such reliance is hereby specifically authorized.

Very truly yours,

JIM HOOD, Attorney General

APPENDIX E
FORMS OF OPINIONS OF BOND COUNSEL

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FORM OF OPINION OF BOND COUNSEL WITH RESPECT TO
THE SERIES 2017D BONDS

_____ 2017

State Bond Commission
State of Mississippi
Jackson, Mississippi

Commission Members:

We have examined the Constitution and statutes of the State of Mississippi (the "State"), including particularly Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; pursuant to the provisions of Section 5 of House Bill 1729 of the 2016 Regular Session of the State Legislature, (the "2016 Mississippi State Fairgrounds Improvement Act"); pursuant to Section 1 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 IHL Capital Improvements Act"); pursuant to Sections 1 and 2 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Capital Improvements Act"); pursuant to Section 14 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Partnership School Construction Act"); pursuant to Section 2 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 Community and Junior Colleges Capital Improvements Act"); pursuant to Section 39-5-145, Mississippi Code of 1972, as amended, including, but not limited to, Sections 24 and 25 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "Mississippi Community Heritage Preservation Grant Act"); pursuant to Section 13 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mississippi Arts and Entertainment Act"); pursuant to Section 33 of House Bill 787 of the 2014 Regular Session of the State Legislature (the "2014 City of Madison I-55 Connector Construction Act"); pursuant to Section 31 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 City of Terry Historic Preservation Act"); pursuant to Section 47 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mount Olive Park Improvements Act"); pursuant to Section 74 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Natchez Seminary Repair and Renovation Act") (collectively, the "Series 2017D Bonds Act"), and certified copies of the proceedings had by the State Bond Commission (the "Commission"), including the adoption of a resolution by the members of the Commission on _____, 2017 (the "Series 2017D Bonds Resolution"), and other proofs submitted, relative to the sale and issuance by the State, acting by and through the Commission, of

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GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

dated _____, 2017, thereof, and maturing in such amounts and at such times, bearing interest and subject to redemption, all as set forth in the Series 2017D Bonds Resolution (the "Series 2017D Bonds"). The Series 2017D Bonds are being issued for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, all as more particularly described in the Series 2017D Bonds Resolution, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds, all as authorized by the Series 2017D Bonds Act and the Series 2017D Bonds Resolution.

As to questions of fact material to our opinion, we have relied upon such certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. We have also examined one of the Series 2017D Bonds.

Based on the foregoing and subject to the qualifications that follow, we are of the opinion on the date hereof that:

1. Such proceedings and proofs show lawful authority for the sale and issuance of the Series 2017D Bonds by the State pursuant to the Constitution and laws of the State, including the Series 2017D Bonds Act, and the provisions of the Series 2017D Bonds Resolution.

2. The Series 2017D Bonds have been duly authorized, executed, and delivered under the provisions of the Series 2017D Bonds Resolution and are entitled to the pledge and security of the Series 2017D Bonds Resolution.

3. The Series 2017D Bonds are legal, valid, and binding general obligations of the State and, under the provisions of the Series 2017D Bonds Act, for the payment thereof the full faith and credit of the State are pledged.

4. Under existing statutes, regulations, rulings and court decisions, subject to the assumption stated below, interest on the Series 2017D Bonds is excludable from gross income for federal income tax purposes. Furthermore, interest on the Series 2017D Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2017D Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. We express no opinion regarding other federal tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2017D Bonds. In rendering the opinion contained in this paragraph 4, we have assumed continuing compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met after the issuance of the Series 2017D Bonds in order that interest on the Series 2017D Bonds not be includable in gross income for federal income tax purposes. The failure to meet such requirements may cause interest on the Series 2017D Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2017D Bonds. The State has covenanted to comply with or to require compliance with the requirements of the Code in order to maintain the excludability of interest on the Series 2017D Bonds from gross income for federal income tax purposes. Owners of the Series 2017D Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the environmental tax, the branch profits tax, and the tax on passive investment income of corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

5. Under and pursuant to the Series 2017D Bonds Act, the Series 2017D Bonds and interest thereon are exempt from all income taxes imposed by the State.

It is to be understood that the rights of the holders of the Series 2017D Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights heretofore or hereinafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In this opinion letter issued in our capacity as Bond Counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy, or completeness of the State's Official Statement or other statements made in connection with any offer or sale of the Series 2017D Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Series 2017D Bonds, except those specifically addressed herein or upon any federal or state law with respect to the sale or distribution of the Series 2017D Bonds.

In rendering this opinion letter, we have acted as Bond Counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Series 2017D Bonds under the laws of the State and with respect to the excludability of the interest on the Series 2017D Bonds from federal and State income taxation.

This opinion letter is an expression of professional judgment regarding the matters expressly addressed herein. It is neither a guarantee of result nor an insurance policy with respect to the transaction or the future actions or performance of any party or entity. Our services have not included any financial or other non-legal advice. We express no opinion other than as herein expressly stated in this letter, and no expansion of our opinion may be made by implication or otherwise. The opinions herein are given as of the date hereof and are based upon statutes, regulations, rulings and court decisions in effect on the date hereof and not as of any future date. It should be noted that material changes regarding matters of fact and applicable law may hereafter occur. We expressly disclaim any undertaking or responsibility to review, revise, update, or supplement this opinion letter subsequent to its date for any reason or to advise you of any change in the law, whether by reason of legislative or regulatory action, by judicial decision, or otherwise, or of any change of facts or circumstances or of any facts or circumstances that may hereafter come to our attention or for any other reason.

Respectfully submitted,
JONES WALKER LLP

FORM OF OPINION OF BOND COUNSEL WITH RESPECT TO
THE SERIES 2017E BONDS

_____ 2017

State Bond Commission
State of Mississippi
Jackson, Mississippi

Commission Members:

We have examined the Constitution and statutes of the State of Mississippi (the "State"), including particularly Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; the Mississippi Major Economic Impact Act, Section 34 of Senate Bill 2913, of the 2013 Regular Session of the State Legislature, and Section 18 of House Bill 1729 of the 2016 Regular Session of the State Legislature; Section 57-1-16, Mississippi Code of 1972, as amended, including, but not limited to, Section 22 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (collectively, the "ACE Act"); Section 57-1-701, Mississippi Code of 1972, as amended, including, but not limited to, Sections 1 and 2 of Senate Bill 3033 of the 2017 Regular Session of the State Legislature (collectively, the "Mississippi Site Development Grant Act"); and, Section 57-61-36, Mississippi Code of 1972, as amended, including, but not limited to, Section 11 of House Bill 787, 2014 Regular Session of the State Legislature (collectively, the "Development Infrastructure Grant Act") (collectively, the "Series 2017E Bonds Act"); and a resolution adopted by the Commission on November 8, 2017 (the "Series 2017E Bonds Resolution" and together with the Series 2017D Bonds Resolution, the "Resolutions"), for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized under the Series 2017E Bonds Act and the Series 2017E Bonds Resolution., and other proofs submitted, relative to the sale and issuance by the State, acting by and through the Commission, of

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TAXABLE GENERAL OBLIGATION BONDS,
SERIES 2017E

dated _____, 2017, and maturing in such amounts and at such times, bearing interest and not subject to redemption, all as set forth in the Series 2017E Bonds Resolution (the "Series 2017E Bonds"). The Series 2017E Bonds are being issued for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, all as more particularly described in the Series 2017E Bonds Resolution, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized by the Series 2017E Bonds Act and the Series 2017E Bonds Resolution.

As to questions of fact material to our opinion, we have relied upon such certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. We have also examined one of the Series 2017E Bonds.

Based on the foregoing and subject to the qualifications that follow, we are of the opinion on the date hereof that:

1. Such proceedings and proofs show lawful authority for the sale and issuance of the Series 2017E Bonds by the State pursuant to the Constitution and laws of the State, including the Series 2017E Bonds Act, and the provisions of the Series 2017E Bonds Resolution.

2. The Series 2017E Bonds have been duly authorized, executed, and delivered under the provisions of the Series 2017E Bonds Resolution and are entitled to the pledge and security of the Series 2017E Bonds Resolution.

3. The Series 2017E Bonds are legal, valid, and binding general obligations of the State and, under the provisions of the Series 2017E Bonds Act, for the payment thereof the full faith and credit of the State are pledged.

4. Under and pursuant to the Series 2017E Bonds Act, the Series 2017E Bonds and interest thereon are exempt from all income taxes imposed by the State.

Interest on the Series 2017E Bonds should be treated as includable in gross income of the holders thereof for federal income tax purposes.

It is to be understood that the rights of the holders of the Series 2017E Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights heretofore or hereinafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In this opinion letter issued in our capacity as Bond Counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy, or completeness of the State's Official Statement or other statements made in connection with any offer or sale of the Series 2017E Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Series 2017E Bonds, except those specifically addressed herein or upon any federal or state law with respect to the sale or distribution of the Series 2017E Bonds.

In rendering this opinion letter, we have acted as Bond Counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Series 2017E Bonds under the laws of the State and with respect to the excludability of the interest on the Series 2017E Bonds from federal and State income taxation.

This opinion letter is an expression of professional judgment regarding the matters expressly addressed herein. It is neither a guarantee of result nor an insurance policy with respect to the transaction or the future actions or performance of any party or entity. Our services have not included any financial or other non-legal advice. We express no opinion other than as herein expressly stated in this letter, and no expansion of our opinion may be made by implication or otherwise. The opinions herein are given as of the date hereof and are based upon statutes, regulations, rulings, and court decisions in effect on the date hereof and not as of any future date. It should be noted that material changes regarding matters of fact and applicable law may hereafter occur. We expressly disclaim any undertaking or responsibility to review, revise, update, or supplement this opinion letter subsequent to its date for any reason or to advise you of any change in the law, whether by reason of legislative or regulatory action, by judicial decision or otherwise, or of any change of facts or circumstances or of any facts or circumstances that may hereafter come to our attention or for any other reason.

Respectfully submitted,

JONES WALKER LLP

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APPENDIX F
BOOK-ENTRY-ONLY SYSTEM

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BOOK-ENTRY-ONLY SYSTEM

The information provided under this APPENDIX F has been provided by The Depository Trust Company ("DTC"). No representation is made by the State as to the accuracy or adequacy of such information, or as to the absence of material adverse changes in such information subsequent to the date hereof.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of \$ _____ State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt), and the \$ _____ State of Mississippi Taxable General Obligation Bonds, Series 2017E (together, the "Series 2017 Bonds") under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2017 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2017 Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017 Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2017 Bonds, except in the event that use of the book-entry system for the Series 2017 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts the Series 2017 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017 Bond documents. For example, Beneficial Owners of Series 2017 Bonds may wish to ascertain that the nominee holding the Series 2017 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices are to be sent to DTC. If less than all of the Series 2017 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2017 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Paying and Transfer Agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal and interest payments, if any, on the Series 2017 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the State or the Paying and Transfer Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying and Transfer Agent or the State, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the State or the Paying and Transfer Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2017 Bonds at any time by giving reasonable notice to the State or the Paying and Transfer Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2017 Bond certificates are required to be printed and delivered.

The State may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2017 Bonds in definitive form will be printed and delivered. See the caption "DESCRIPTION OF THE SERIES 2017 BONDS - Registration" in this Official Statement.

THE STATE AND THE UNDERWRITERS OR PURCHASERS CANNOT AND DO NOT GIVE ANY ASSURANCE THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2017 BONDS (a) PAYMENTS OF PRINCIPAL OR INTEREST ON THE SERIES 2017 BONDS; (b) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2017 BONDS; OR (c) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER OF THE SERIES 2017 BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SEC AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

THE STATE AND THE UNDERWRITERS OR PURCHASERS WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (a) THE SERIES 2017 BONDS; (b) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (c) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF AND INTEREST ON THE SERIES 2017 BONDS; (d) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTIONS TO BE GIVEN TO HOLDERS OF THE SERIES 2017 BONDS; OR (e) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER OF THE SERIES 2017 BONDS.

APPENDIX G

FORMS OF THE OFFICIAL NOTICES OF BOND SALE

OFFICIAL NOTICE OF BOND SALE

\$52,825,000*

STATE OF MISSISSIPPI

GENERAL OBLIGATION BONDS, SERIES 2017D (TAX-EXEMPT)

NOTICE IS HEREBY GIVEN that the State Bond Commission of the State of Mississippi (the "Commission" of the "State") will receive bids for the purchase of all, but not less than all, of the \$52,825,000* State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt) (the "Series 2017D Bonds") on December 6, 2017 (the "Sale Date"). The Series 2017D Bonds are more particularly described in the Preliminary Official Statement dated November 28, 2017, relating to the Bonds (the "Preliminary Official Statement"), available at the i-Deal Prospectus website, www.i-dealprospectus.com. Prior to accepting bids, the State of Mississippi (the "State"), represented by the Department of Finance and Administration, reserves the right to change the principal amount of the Bonds being offered or other terms of the Series 2017D Bonds, to postpone the sale to a later date, or to cancel the sale. Notice of a change, postponement, or cancellation will be announced via Thomson Municipal News at the website address www.tm3.com not later than 1:00 p.m., Central Time, on the day preceding the bid opening. Such notice will specify the revised principal amount or other terms, if any, and later date selected for the sale, which may be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated upon at least forty-eight hours' notice via Thomson Municipal news at the internet website www.tm3.com. Consideration of the bids and the award will be made by the Commission not later than 4:00 p.m. on the Sale Date (as set forth above and in the bidding parameters herein). The State will continue to reserve the right to adjust the principal amount of the Bonds or to cancel the sale of the Bonds after the bids are opened as further described herein, see "ADJUSTMENT OF PRINCIPAL AMOUNT AND BID PRICE".

THE BONDS: The Series 2017D Bonds will be dated their date of delivery; will be delivered in definitive form as registered bonds; will be in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity; will be numbered from one upward in the order of issuance; will be payable as to principal at the office of the State Treasurer of the State, as designated by the Commission to serve as paying agent, transfer agent, and registrar of the Series 2017D Bonds (the "Paying and Transfer Agent"); and will bear interest from the date thereof, payable on December 1, 2018, and semiannually thereafter on June 1 and December 1 of each year, at the rate or rates offered by the successful bidder in its bid in accordance with this Official Notice of Bond Sale.

MATURITIES: The Series 2017D Bonds will mature serially, with option of prior payment, on December 1 in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>
2029	\$4,395,000
2030	5,260,000
2031	5,475,000
2032	5,700,000
2033	5,935,000
2034	6,175,000
2035	6,405,000
2036	6,625,000
2037	6,855,000

REDEMPTION: Series 2017D Bonds maturing after December 1, 2027, are subject to redemption prior to their respective maturities at the option of the Commission on and after December 1, 2027, either in whole or in part on any date, with the maturities and principal amounts thereof to be determined by the State, at the principal amount thereof together with accrued interest to the date fixed for redemption.

Notice of each such redemption shall be mailed, postage prepaid, not less than thirty (30) days prior to the redemption date, to all Registered Owners of the Series 2017D Bonds to be redeemed at their addresses as they appear on the registration books of the State kept by the Paying and Transfer Agent. If less than all of the

outstanding Series 2017D Bonds of a maturity are to be redeemed, the particular Series 2017D Bonds to be redeemed shall be selected by the Paying and Transfer Agent by lot or random selection in such manner as it shall deem fair and appropriate. The Paying and Transfer Agent may provide for the selection of portions of the principal of the Series 2017D Bonds (in integral multiples of \$5,000), and for all purposes of the Series 2017D Bonds Resolution (as hereinafter defined), all provisions pertaining to the redemption of the Series 2017D Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

AUTHORITY AND SECURITY: The Series 2017D Bonds will be issued pursuant to the provisions of various pieces of legislation adopted by the Legislature of the State and signed by the Governor of the State (together, the "Series 2017D Bonds Act") and the resolution authorizing and directing the issuance and sale of the Series 2017D Bonds dated November 8, 2017 (the "Series 2017D Bonds Resolution"), and shall be general obligations of the State, and for the payment thereof, the full faith and credit of the State shall be irrevocably pledged. The Series 2017D Bonds Act provides that if the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017D Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

PURPOSE: The Series 2017D Bonds are being issued for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds.

DTC BOOK-ENTRY-ONLY: The Series 2017D Bonds are being initially offered as registered in the name of Cede & Co., as Registered Owner and nominee for The Depository Trust Company, New York, New York ("DTC") under DTC's Book-Entry-Only system of registration. Purchasers of interests in the Series 2017D Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Series 2017D Bonds will be evidenced by Book-Entry-Only. As long as Cede & Co. is the Registered Owner of the Series 2017D Bonds as nominee of DTC, payments of principal and interest will be made directly to such Registered Owner which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

FORM AND DELIVERY OF BIDS: Only electronic bids submitted via PARITY® will be accepted. No other provider of electronic bidding services will be accepted. No bid delivered in person or by facsimile will be accepted. Each bid must be unconditional and received by PARITY® before the Sale Date and time deadline for receiving bids as set forth in this Official Notice of Bond Sale. No proposal to purchase the Series 2017D Bonds may be withdrawn after the deadline set for receiving bids. Prior to the deadline set for receiving bids, an eligible prospective bidder may, subject to the limitation which may be imposed by PARITY®, modify the proposed terms of its bid, in which event the proposed terms last modified will constitute its bid for the Series 2017D Bonds. At the deadline stated above for receiving bids, the bidding process will close and each bid shall then constitute an irrevocable offer to purchase the Series 2017D Bonds on the terms provided in the bid and this Official Notice of Bond Sale.

The use of PARITY® electronic bidding shall be at the bidder's risk and expense, and the State shall have no liability with respect thereto. The State is using electronic bidding as a communications medium and PARITY® is not acting as the State's agent.

If any provisions of this Official Notice of Bond Sale conflict with information provided by PARITY®, this Official Notice of Bond Sale shall control. The State is not bound by any advice or determination of PARITY® as to whether any bid complies with the terms of this Official Notice of Bond Sale. The time maintained by PARITY® shall constitute the official time with respect to all bids submitted.

Each electronic bid submitted via PARITY® shall be deemed an offer in response to this Official Notice of Bond Sale and shall be binding upon the bidder as if made by a signed sealed bid delivered to the State. The successful bidder must confirm such bid by a signed PARITY® Bid Form and a signed statement of reoffering price, both delivered by e-mail to the State (Steven.McDevitt@dfa.ms.gov) and to Hilltop Securities, Dallas, Texas, the State's Financial Advisor (Vickie.Hall@Hilltopsecurities.com), no later than thirty minutes after being notified by the State of being the winning bidder, the original of each which must be received by Steven McDevitt, Director, Bond Advisory Division, at 501 North West Street, Suite 1301 Woolfolk Building, Jackson,

Mississippi, 39201. Failure to deliver this written confirmation does not relieve the bidder of the obligation to purchase the Series 2017D Bonds. For information about PARITY®, potential bidders may contact PARITY® at Dalcomp at 817.885.8900 or 201.434.8033.

FORM OF BID, INTEREST RATES, AND BID PRICE: All bids must conform to the requirements of this Official Notice of Bond Sale. The Series 2017D Bonds will be sold on an "all or none" basis at a price of not less than 100% of the par value. Each bid must specify (1) a single interest rate for each maturity; (2) the reoffering price or yield for each maturity of the Series 2017D Bonds; and (3) a dollar purchase price for the Series 2017D Bonds. No maturity may have a coupon more than 5.00% and no maturity may have a coupon less than 2.00%. No maturity may be priced at more than 120% of par and no maturity may be priced at less than 97.5% of par. All interest rates must be in multiples of 1/8th or 1/20th of 1.00%. The overall maximum interest rate to maturity on the Series 2017D Bonds must not exceed 5.00% per annum. Bidders may designate consecutive maturities as Term Bonds, and no more than two Term Bonds may be designated. Each Term Bond shall be subject to mandatory redemption at a price of 100% of the principal amount, plus accrued interest, on the dates and in the amounts that the consecutive maturities are payable.

COMPETITIVE BIDDING AND CERTIFICATE OF SUCCESSFUL BIDDER: In the event that the State does not receive at least three qualified bids to satisfy the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) allowing the State to treat the reasonably expected initial offering price to the public as of the Sale Date as the issue price of the Series 2017D Bonds, the "hold-the-offering-price rule" shall apply, which will allow the State to treat the initial offering price to the public of each maturity as of the Sale Date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule applies to any maturity of the Series 2017D Bonds, the successful bidder will neither offer nor sell that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on Sale Date and ending on the earlier of the following: (i) the date on which the successful bidder has sold at least 10 percent of that maturity of the Series 2017D Bonds to the public at a price that is no higher than the initial offering price to the public or (b) the close of the fifth business day after the Sale Date. The successful bidder agrees to promptly report to the Financial Advisor when it has sold 10 percent of a maturity of the Series 2017D Bonds to the public at a price that is no higher than the initial offering price to the public if that occurs prior to the close of the fifth business day after the Sale Date. Alternative certificates of the successful bidder are attached for use (I) when the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) are met and (II) when such requirements are not met.

CERTIFICATION REGARDING OFFERING PRICE OF BONDS: In order to provide the State with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended, relating to the exclusion of interest on the Series 2017D Bonds from gross income for federal income tax purposes, the successful bidder will be required to complete, execute, and deliver to the State (on or before the date of delivery of the Series 2017D Bonds) a certification regarding "issue price" substantially in the form accompanying this Official Notice of Bond Sale. If the successful bidder will not reoffer the Series 2017D Bonds for sale or has not sold a substantial amount of the Series 2017D Bonds of any maturity by the date of delivery, such certificate may be modified in a manner acceptable to the State. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate by the date of delivery of the Series 2017D Bonds if its bid is accepted by the State. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel (as defined hereinafter).

AWARD OF BONDS: An award of the Series 2017D Bonds, or rejection of bids, will be made by the Commission at a meeting of the Commission in its regular meeting place in the Governor's Conference Room on the 19th Floor of the Walter Sillers Building located in Jackson, Mississippi, at 2:00 P.M. on the Sale Date. The award, if any, will be made to the bidder complying with the terms of sale and offering to purchase the Series 2017D Bonds at the lowest true interest cost ("TIC") to the State. The TIC shall be determined by doubling the semi-annual interest rate (compounded semi-annually) as necessary to discount the debt service payments from the payment dates to the date of delivery of the Series 2017D Bonds.

RIGHT OF REJECTION, CANCELLATION: The Commission (i) reserves the right to reject any or all bids submitted, (ii) so far as permitted by law, to waive any irregularity or informality in any bid or condition of

this Notice, (iii) to solicit new bids or proposals for the sale of the Series 2017D Bonds, or (iv) to otherwise provide for the sale of the Series 2017D Bonds if all bids are rejected or the winning bidder defaults.

The successful bidder will have the right at its option to cancel its obligation to purchase the Series 2017D Bonds if the State shall fail to execute the Series 2017D Bonds and tender the same for delivery within 60 days from the date of sale thereof. In such event, the successful bidder will be entitled to the return of the Good Faith Deposit (hereinafter defined) accompanying its bid.

GOOD FAITH DEPOSIT: The successful bidder for the Series 2017D Bonds is required to submit the good faith amount of \$528,250 (the "Good Faith Deposit") to the State in the form of a wire transfer in federal funds as instructed by the Financial Advisor, not later than two hours after the verbal award is made. If such wire transfer deposit is not received by the State by that time, the bid of such apparent winning bidder may be rejected and the State, in its own discretion, may direct the next lowest bidder(s), in ascending order, to submit a Good Faith Deposit and, thereafter, may award the sale of the Series 2017D Bonds to the next lowest bidder. In the event that the original apparent winning bidder does not comply with the Good Faith Deposit requirements and another bidder complies with the Good Faith Deposit requirements as described herein, or in the event no bidder complies with the Good Faith Deposit requirements as described herein, the original apparent winning bidder is obligated to promptly pay to the State, as liquidated damages for its failure to timely comply with the terms of this Official Notice of Bond Sale and of its bid, a sum equal to the greater of (i) the difference between the TIC of the original apparent winner and the TIC of the ultimate winner; and (ii) the amount of the Good Faith Deposit.

Submission of a bid to purchase the Series 2017D Bonds shall constitute acknowledgement and acceptance of the terms of the Good Faith Deposit requirements, including the payment of liquidated damages as provided herein.

The Good Faith Deposit so wired will be retained by the state until the delivery of the Series 2017D Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Series 2017D Bonds or the Good Faith Deposit will be retained by the State as partial liquidated damages in the event of the failure of the successful bidder to pay for the Series 2017D Bonds in compliance with the terms of this Official Notice of Bond Sale and its bid. No interest on the Good Faith Deposit will be paid by the State.

ADJUSTMENT OF PRINCIPAL AMOUNT AND BID PRICE: Prior to the Sale Date, the State may cancel the sale of the Series 2017D Bonds or adjust the aggregate principal amount of the Series 2017D Bonds. Notice of a change or cancellation will be announced via Thomson Municipal News at the website address www.tm3.com not later than 1:00 p.m. Central Time, of the day preceding the day previously scheduled for bid opening.

After selecting the winning bid, the final principal amount of each maturity (the "Final Maturity Amounts") and the final aggregate par amount (the "Final Par Amount") of the Series 2017D Bonds will be determined. Each of the maturities listed above may be decreased or increased. Such adjusted principal amounts for each maturity shall constitute the Final Maturity Amounts, and in aggregate, such adjusted principal amounts shall constitute the Final Par Amount. In determining the Final Maturity Amounts and the Final Par Amount, the maturities listed above may be reduced or increased by no more than 15% of such amount. The successful bidder may not withdraw its bid or change the interest rates bid or its initial reoffering prices as a result of any changes made within these limits. The Final Maturity Amounts and the Final Par Amount will be communicated to the successful bidder by 4:00 p.m., Central Time, on the day of the sale. The dollar amount of the bid by the successful bidder will be adjusted to reflect the Final Par Amount. In adjusting the dollar amount of the bid, the Underwriter's Discount, if any, shall be held constant. The Underwriter's Discount shall be defined as the difference between the purchase price of the Series 2017D Bonds submitted by the bidder and the price at which the Series 2017D Bond will be issued to the public, as calculated from information provided by the bidder, divided by the par amount of the bid.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The State Treasurer of the State, as designated by the Commission, will serve as paying agent, transfer agent, and registrar of the Series 2017D Bonds (the "Paying and Transfer Agent"). The Paying and Transfer Agent shall be subject to change by order of the Commission under the conditions and in the manner provided in the Series 2017D Bonds Resolution.

DELIVERY: The successful bidder must designate within thirty (30) days of the date of sale, or at such other later date as may be designated by the Commission, the names and addresses of the registered owners of the Series 2017D Bonds and the denominations in which the Series 2017D Bonds of each maturity are to be issued. If the successful bidder fails to submit such information within the required time, one Series 2017D Bond may be issued for each maturity in the full amount maturing on that date registered in the name of the successful bidder. The Series 2017D Bonds will be delivered at a place to be designated by the purchaser and without cost to the purchaser, and payment therefor shall be made in immediately available funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Series 2017D Bonds unless specifically declined by the purchaser, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series 2017D Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Series 2017D Bonds shall be paid by the State. The charge for the assignment of said CUSIP numbers shall be the responsibility of and shall be paid for by the purchaser.

LEGAL OPINION; CLOSING DOCUMENTS: The Series 2017D Bonds are offered subject to the unqualified approval of the legality thereof by Jones Walker LLP, Jackson, Mississippi, Bond Counsel. In the opinion of Jones Walker LLP, Jackson, Mississippi, interest on the Bonds is exempt from federal and Mississippi income taxes under existing laws, regulations, rulings, and judicial decisions, with such exceptions as shall be described in the Preliminary Official Statement for the Series 2017D Bonds. A copy of the opinion of Bond Counsel, together with the usual closing papers, including a non-litigation certificate dated the date of delivery of the Series 2017D Bonds, evidencing that no litigation is pending in any way affecting the legality of the Series 2017D Bonds or the taxes to be levied for the payment of the principal thereof and interest thereon, and a transcript of the proceedings relating to the Series 2017D Bonds will be delivered to the successful bidder without charge. The State will pay for all legal fees and will pay for the printing and validation of the Series 2017D Bonds.

INFORMATION FROM PURCHASER: By submission of its bid, the successful bidder will be deemed to have agreed to supply to the State all necessary pricing information and any purchaser identification determined by the State to be necessary for the Official Statement or otherwise, within 24 hours after the award of the Series 2017D Bonds.

FURTHER INFORMATION: The State has prepared a Preliminary Official Statement which it deems, for purposes of S.E.C. Rule 15c2-12, to be final and complete as of this date except for the omission of the offering prices, interest rates, and any other terms of the Series 2017D Bonds depending on such matters, and the identity of the purchasers, subject to revision, amendment, and completion in a final Official Statement. By submission of its bid, the successful bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Upon the award of the Series 2017D Bonds, the State will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions, and revisions as required to complete the Official Statement. A copy of the Preliminary Official Statement and the PARITY® Bid Form may be obtained from the Office of the State Treasurer, 1101 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi, 39201, (601) 359-3600, Attention: Mr. Jesse Graham, Deputy Treasurer, or from the Department of Finance and Administration, 1301 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi 39201, (601) 359-3160, Attention: Mr. Steven McDevitt, Director, Bond Advisory Division. The Preliminary Official Statement is also available on www.i-dealprospectus.com.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the State will undertake, pursuant to the Series 2017D Bonds Resolution and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Failure of the State to deliver the Continuing Disclosure Certificate at the time of issuance and delivery of the Series 2017D Bonds shall relieve the successful bidder from its obligation to purchase the Series 2017D Bonds.

By order of the State Bond Commission of the State of Mississippi, on November 8, 2017.

**STATE BOND COMMISSION
STATE OF MISSISSIPPI**

By: /s/ Jim Hood
**Jim Hood, Attorney General, and
Ex-Officio Secretary, State Bond Commission**

ISSUE PRICE CERTIFICATE

FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS MET

The undersigned hereby certifies as follows with respect to the sale of \$52,285,000* State of Mississippi (the "State") General Obligation Bonds, Series 2017D (the "Series 2017D Bonds"):

1. The undersigned is the initial purchaser or the manager of the syndicate of initial purchasers (the "Initial Purchaser") which has purchased the Series 2017D Bonds from the State at competitive sale.
2. The Initial Purchaser was not given the opportunity to review other bids prior to submitting its bid, and the bid submitted by the Initial Purchaser constituted a firm bid to purchase the Series 2017D Bonds.
3. As of the Sale Date (as defined hereinafter), the reasonably expected initial offering prices of the Series 2017D Bonds to the public for each maturity of the Series 2017D Bonds by the Initial Purchaser (expressed as a percentage of principal amount and exclusive of accrued interest) is as set forth below:

2028	\$ _____ +	_____ %
2029	\$ _____ +	_____ %
2030	\$ _____ +	_____ %
2031	\$ _____ +	_____ %
2032	\$ _____ +	_____ %
2033	\$ _____ +	_____ %
2034	\$ _____ +	_____ %
2035	\$ _____ +	_____ %
2036	\$ _____ +	_____ %
2037	\$ _____ +	_____ %

+ Subject to optional redemption on December 1, 2027 and thereafter.

4. The term "public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party to an underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.
5. Sale Date means the first date on which there is a binding contract in writing for the sale of the Series 2017D Bonds. The Sale Date of the Series 2017D Bonds is December 6, 2017.
6. The term "maturity" means Series 2017D Bonds with the same credit and payment terms. Series 2017D Bonds with different maturity dates, or Series 2017D Bonds with the same maturity date but different interest rates, are treated as separate maturities.
7. The term "underwriter" means (i) any person that agrees pursuant to a written contract with the State (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2017D Bonds to the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2017D Bonds to the public (including a member of the selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2017D Bonds to the public).
8. The undersigned understands that the foregoing information will be relied upon by the State with respect to certain of the representations set forth in the Tax and Non-Arbitrage Certificate and Agreement executed by the State in connection with the issuance of the Series 2017D Bonds and with respect to compliance with the federal income tax rules affecting the Series 2017D Bonds, and by Jones Walker, LLP, Jackson, Mississippi, Bond Counsel, in connection with rendering its opinion that interest on the Series 2017D Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the State from time to time relating to the Series 2017D Bonds.

* Preliminary and Subject to Change.

EXECUTED and DELIVERED this _____ day of _____ 2017.

Name of Initial Purchaser or Manager

By: _____

Title: _____

ISSUE PRICE CERTIFICATE**FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS NOT MET**

The undersigned hereby certifies as follows with respect to the sale of \$52,285,000* State of Mississippi (the "State") General Obligation Bonds, Series 2017D (the "Series 2017D Bonds"):

1. The undersigned is the initial purchaser or the manager of the syndicate of initial purchasers (the "Initial Purchaser") that has purchased the Series 2017D Bonds from the State.

2. As of the date of this Certificate, for each of the following maturities (the "Sold Maturities"), the first price at which a substantial amount (at least ten percent) of such maturity was sold to the public (expressed as a percentage of principal amount and exclusive of accrued interest) is set forth below:

2028	\$ _____ +	_____ %
2029	\$ _____ +	_____ %
2030	\$ _____ +	_____ %
2031	\$ _____ +	_____ %
2032	\$ _____ +	_____ %
2033	\$ _____ +	_____ %
2034	\$ _____ +	_____ %
2035	\$ _____ +	_____ %
2036	\$ _____ +	_____ %
2037	\$ _____ +	_____ %

+ Subject to optional redemption on December 1, 2027 and thereafter.

3. As of the Sale Date for the Series 2017D Bonds, each of the following maturities (the "Unsold Maturities") was offered to the public for purchase at the price (expressed as a percentage of principal amount and exclusive of accrued interest) set forth below:

2028	\$ _____ +	_____ %
2029	\$ _____ +	_____ %
2030	\$ _____ +	_____ %
2031	\$ _____ +	_____ %
2032	\$ _____ +	_____ %
2033	\$ _____ +	_____ %
2034	\$ _____ +	_____ %
2035	\$ _____ +	_____ %
2036	\$ _____ +	_____ %
2037	\$ _____ +	_____ %

+ Subject to optional redemption on December 1, 2027 and thereafter.

4. Offering Period means, with respect to an Unsold Maturity, the period beginning on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date or (b) the date on which the Initial Purchaser has sold at least 10 percent of such Unsold Maturity to the public at a price that is no higher than the initial offering price for such Unsold Maturity.

5. As set forth in the Official Notice of Bond Sale, the Initial Purchaser has agreed in writing that, for each of the Unsold Maturities, the Initial Purchaser would neither offer nor sell any of the Series 2017D Bonds of such maturity to any person at a price that is higher than the initial offering price for each maturity, as set forth in the pricing wire or equivalent communication for the Series 2017D Bonds attached to this Certificate, during the Offering Period for such maturity. Pursuant to such agreement, the Initial Purchaser has neither offered nor sold any of the Unsold Maturities at a price higher than the respective initial offering price for that maturity of the Series 2017D Bonds during the Offering Period.

* Preliminary and Subject to Change.

6. The term "public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party to an underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

7. Sale Date means the first date on which there is a binding contract in writing for the sale of the Series 2017D Bonds. The Sale Date of the Series 2017D Bonds is December 6, 2017.

8. The term "maturity" means Series 2017D Bonds with the same credit and payment terms. Series 2017D Bonds with different maturity dates, or Series 2017D Bonds with the same maturity date but different interest rates, are treated as separate maturities.

9. The term "underwriter" means (i) any person that agrees pursuant to a written contract with the State (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2017D Bonds to the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2017D Bonds to the public (including a member of the selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2017D Bonds to the public).

10. The undersigned understands that the foregoing information will be relied upon by the State with respect to certain of the representations set forth in the Tax and Non-Arbitrage Certificate and Agreement executed by the State in connection with the issuance of the Series 2017D Bonds and with respect to compliance with the federal income tax rules affecting the Series 2017D Bonds, and by Jones Walker, LLP, Jackson, Mississippi, Bond Counsel, in connection with rendering its opinion that interest on the Series 2017D Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the State from time to time relating to the Series 2017D Bonds.

EXECUTED and DELIVERED this _____ day of _____, 2017.

Name of Initial Purchaser or Manager

By: _____

Title: _____

OFFICIAL NOTICE OF BOND SALE**\$45,225,000*****STATE OF MISSISSIPPI****TAXABLE GENERAL OBLIGATION BONDS, SERIES 2017E**

NOTICE IS HEREBY GIVEN that the State Bond Commission of the State of Mississippi (the "Commission" of the "State") will receive bids for the purchase of all, but not less than all, of the \$45,225,000* State of Mississippi Taxable General Obligation Bonds, Series 2017E) (the "Series 2017E Bonds") on December 6, 2017 (the "Sale Date"). The Series 2017E Bonds are more particularly described in the Preliminary Official Statement dated November 28, 2017, relating to the Bonds (the "Preliminary Official Statement"), available at the i-Deal Prospectus website, www.i-dealprospectus.com. Prior to accepting bids, the State of Mississippi (the "State"), represented by the Department of Finance and Administration, reserves the right to change the principal amount of the Bonds being offered or other terms of the Series 2017E Bonds, to postpone the sale to a later date, or to cancel the sale. Notice of a change, postponement, or cancellation will be announced via Thomson Municipal News at the website address www.tm3.com not later than 1:00 p.m., Central Time, on the day preceding the bid opening. Such notice will specify the revised principal amount or other terms, if any, and later date selected for the sale, which may be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated upon at least forty-eight hours' notice via Thomson Municipal news at the internet website www.tm3.com. Consideration of the bids and the award will be made by the Commission not later than 4:00 p.m. on the Sale Date (as set forth above and in the bidding parameters herein). The State will continue to reserve the right to adjust the principal amount of the Bonds or to cancel the sale of the Bonds after the bids are opened as further described herein, see "ADJUSTMENT OF PRINCIPAL AMOUNT AND BID PRICE".

THE BONDS: The Series 2017E Bonds will be dated their date of delivery; will be delivered in definitive form as registered bonds; will be in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity; will be numbered from one upward in the order of issuance; will be payable as to principal at the office of the State Treasurer of the State, as designated by the Commission to serve as paying agent, transfer agent, and registrar of the Series 2017E Bonds (the "Paying and Transfer Agent"); and will bear interest from the date thereof, payable on December 1, 2018, and semiannually thereafter on June 1 and December 1 of each year, at the rate or rates offered by the successful bidder in its bid in accordance with this Official Notice of Bond Sale.

MATURITIES: The Series 2017E Bonds will mature serially, with option of prior payment, on December 1 in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>
2018	\$2,185,000
2019	3,725,000
2020	3,810,000
2021	3,910,000
2022	4,015,000
2023	4,135,000
2024	4,265,000
2025	4,400,000
2026	4,545,000
2027	4,705,000
2028	4,870,000
2029	660,000

REDEMPTION: Series 2017E Bonds maturing after December 1, 2027, are subject to redemption prior to their respective maturities at the option of the Commission on and after December 1, 2027, either in whole or in part on any date, with the maturities and principal amounts thereof to be determined by the State, at the principal amount thereof together with accrued interest to the date fixed for redemption.

Notice of each such redemption shall be mailed, postage prepaid, not less than thirty (30) days prior to the redemption date, to all Registered Owners of the Series 2017E Bonds to be redeemed at their addresses as they appear on the registration books of the State kept by the Paying and Transfer Agent. If less than all of the outstanding Series 2017E Bonds of a maturity are to be redeemed, the particular Series 2017E Bonds to be redeemed shall be selected by the Paying and Transfer Agent by lot or random selection in such manner as it shall deem fair and appropriate. The Paying and Transfer Agent may provide for the selection of portions of the principal of the Series 2017E Bonds (in integral multiples of \$5,000), and for all purposes of the Series 2017E Bonds Resolution (as hereinafter defined), all provisions pertaining to the redemption of the Series 2017E Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

AUTHORITY AND SECURITY: The Series 2017E Bonds will be issued pursuant to the provisions of various pieces of legislation adopted by the Legislature of the State and signed by the Governor of the State (together, the "Series 2017E Bonds Act") and the resolution authorizing and directing the issuance and sale of the Series 2017E Bonds dated November 8, 2017 (the "Series 2017E Bonds Resolution"), and shall be general obligations of the State, and for the payment thereof, the full faith and credit of the State shall be irrevocably pledged. The Series 2017E Bonds Act provides that if the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017E Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

PURPOSE: The Series 2017E Bonds are being issued for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds.

DTC BOOK-ENTRY-ONLY: The Series 2017E Bonds are being initially offered as registered in the name of Cede & Co., as Registered Owner and nominee for The Depository Trust Company, New York, New York ("DTC") under DTC's Book-Entry-Only system of registration. Purchasers of interests in the Series 2017E Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Series 2017E Bonds will be evidenced by Book-Entry-Only. As long as Cede & Co. is the Registered Owner of the Series 2017E Bonds as nominee of DTC, payments of principal and interest will be made directly to such Registered Owner which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

FORM AND DELIVERY OF BIDS: Only electronic bids submitted via PARITY® will be accepted. No other provider of electronic bidding services will be accepted. No bid delivered in person or by facsimile will be accepted. Each bid must be unconditional and received by PARITY® before the Sale Date and time deadline for receiving bids as set forth in this Official Notice of Bond Sale. No proposal to purchase the Series 2017E Bonds may be withdrawn after the deadline set for receiving bids. Prior to the deadline set for receiving bids, an eligible prospective bidder may, subject to the limitation which may be imposed by PARITY®, modify the proposed terms of its bid, in which event the proposed terms last modified will constitute its bid for the Series 2017E Bonds. At the deadline stated above for receiving bids, the bidding process will close and each bid shall then constitute an irrevocable offer to purchase the Series 2017E Bonds on the terms provided in the bid and this Official Notice of Bond Sale.

The use of PARITY® electronic bidding shall be at the bidder's risk and expense, and the State shall have no liability with respect thereto. The State is using electronic bidding as a communications medium and PARITY® is not acting as the State's agent.

If any provisions of this Official Notice of Bond Sale conflict with information provided by PARITY®, this Official Notice of Bond Sale shall control. The State is not bound by any advice or determination of PARITY® as to whether any bid complies with the terms of this Official Notice of Bond Sale. The time maintained by PARITY® shall constitute the official time with respect to all bids submitted.

Each electronic bid submitted via PARITY® shall be deemed an offer in response to this Official Notice of Bond Sale and shall be binding upon the bidder as if made by a signed sealed bid delivered to the State. The successful bidder must confirm such bid by a signed PARITY® Bid Form and a signed statement of reoffering price, both delivered by e-mail to the State (Steven.McDevitt@dfa.ms.gov) and to Hilltop Securities, Dallas,

Texas, the State's Financial Advisor (Vickie.Hall@Hilltopsecurities.com), no later than thirty minutes after being notified by the State of being the winning bidder, the original of each which must be received by Steven McDevitt, Director, Bond Advisory Division, at 501 North West Street, Suite 1301 Woolfolk Building, Jackson, Mississippi, 39201. Failure to deliver this written confirmation does not relieve the bidder of the obligation to purchase the Series 2017D Bonds. For information about PARITY®, potential bidders may contact PARITY® at Dalcomp at 817.885.8900 or 201.434.8033.

FORM OF BID, INTEREST RATES, AND BID PRICE: All bids must conform to the requirements of this Official Notice of Bond Sale. The Series 2017E Bonds will be sold on an "all or none" basis at a price of not less than 99.4% of the par value. Each bid must specify (1) a single interest rate for each maturity; (2) the reoffering price or yield for each maturity of the Series 2017E Bonds; and (3) a dollar purchase price for the Series 2017E Bonds. No maturity may have a coupon more than 5.00% and no maturity may have a coupon less than 1.00%. No maturity may be priced at more than 102% of par and no maturity may be priced at less than 99% of par. All interest rates must be in multiples of 1/8th or 1/100th of 1.00%. The overall maximum interest rate to maturity on the Series 2017E Bonds must not exceed 5.00% per annum. Bidders may designate consecutive maturities as Term Bonds, and no more than two Term Bonds may be designated. Each Term Bond shall be subject to mandatory redemption at a price of 100% of the principal amount, plus accrued interest, on the dates and in the amounts that the consecutive maturities are payable.

AWARD OF BONDS: An award of the Series 2017E Bonds, or rejection of bids, will be made by the Commission at a meeting of the Commission in its regular meeting place in the Governor's Conference Room on the 19th Floor of the Walter Sillers Building located in Jackson, Mississippi, at 2:00 P.M. on December 6, 2017. The award, if any, will be made to the bidder complying with the terms of sale and offering to purchase the Series 2017E Bonds at the lowest true interest cost ("TIC") to the State. The TIC shall be determined by doubling the semi-annual interest rate (compounded semi-annually) as necessary to discount the debt service payments from the payment dates to the date of delivery of the Series 2017E Bonds.

RIGHT OF REJECTION, CANCELLATION: The Commission (i) reserves the right to reject any or all bids submitted, (ii) so far as permitted by law, to waive any irregularity or informality in any bid or condition of this Notice, (iii) to solicit new bids or proposals for the sale of the Series 2017E Bonds, or (iv) to otherwise provide for the sale of the Series 2017E Bonds if all bids are rejected or the winning bidder defaults.

The successful bidder will have the right at its option to cancel its obligation to purchase the Series 2017E Bonds if the State shall fail to execute the Series 2017E Bonds and tender the same for delivery within 60 days from the date of sale thereof. In such event, the successful bidder will be entitled to the return of the Good Faith Deposit (hereinafter defined) accompanying its bid.

GOOD FAITH DEPOSIT: The successful bidder for the Series 2017E Bonds is required to submit the good faith amount of \$452,250 (the "Good Faith Deposit") to the State in the form of a wire transfer in federal funds as instructed by the Financial Advisor, not later than two hours after the verbal award is made. If such wire transfer deposit is not received by the State by that time, the bid of such apparent winning bidder may be rejected and the State, in its own discretion, may direct the next lowest bidder(s), in ascending order, to submit a Good Faith Deposit and, thereafter, may award the sale of the Series 2017E Bonds to the next lowest bidder. In the event that the original apparent winning bidder does not comply with the Good Faith Deposit requirements and another bidder complies with the Good Faith Deposit requirements as described herein, or in the event no bidder complies with the Good Faith Deposit requirements as described herein, the original apparent winning bidder is obligated to promptly pay to the State, as liquidated damages for its failure to timely comply with the terms of this Official Notice of Bond Sale and of its bid, a sum equal to the greater of (i) the difference between the TIC of the original apparent winner and the TIC of the ultimate winner; and (ii) the amount of the Good Faith Deposit.

Submission of a bid to purchase the Series 2017E Bonds shall constitute acknowledgement and acceptance of the terms of the Good Faith Deposit requirements, including the payment of liquidated damages as provided herein.

The Good Faith Deposit so wired will be retained by the state until the delivery of the Series 2017E Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Series 2017E Bonds or the Good Faith Deposit will be retained by the State as partial liquidated damages in the event of the

failure of the successful bidder to pay for the Series 2017E Bonds in compliance with the terms of this Official Notice of Bond Sale and its bid. No interest on the Good Faith Deposit will be paid by the State.

ADJUSTMENT OF PRINCIPAL AMOUNT AND BID PRICE: Prior to the Sale Date, the State may cancel the sale of the Series 2017E Bonds or adjust the aggregate principal amount of the Series 2017E Bonds. Notice of a change or cancellation will be announced via Thomson Municipal News at the website address www.tn3.com not later than 1:00 p.m. Central Time, of the day preceding the day previously scheduled for bid opening.

After selecting the winning bid, the final principal amount of each maturity (the "Final Maturity Amounts") and the final aggregate par amount (the "Final Par Amount") of the Series 2017E Bonds will be determined. Each of the maturities listed above may be decreased or increased. Such adjusted principal amounts for each maturity shall constitute the Final Maturity Amounts, and in aggregate, such adjusted principal amounts shall constitute the Final Par Amount. In determining the Final Maturity Amounts and the Final Par Amount, the maturities listed above may be reduced or increased by no more than 15% of such amount. The successful bidder may not withdraw its bid or change the interest rates bid or its initial reoffering prices as a result of any changes made within these limits. The Final Maturity Amounts and the Final Par Amount will be communicated to the successful bidder by 4:00 p.m., Central Time, on the day of the sale. The dollar amount of the bid by the successful bidder will be adjusted to reflect the Final Par Amount. In adjusting the dollar amount of the bid, the Underwriter's Discount, if any, shall be held constant. The Underwriter's Discount shall be defined as the difference between the purchase price of the Series 2017E Bonds submitted by the bidder and the price at which the Series 2017E Bond will be issued to the public, as calculated from information provided by the bidder, divided by the par amount of the bid.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The State Treasurer of the State, as designated by the Commission, will serve as paying agent, transfer agent, and registrar of the Series 2017E Bonds (the "Paying and Transfer Agent"). The Paying and Transfer Agent shall be subject to change by order of the Commission under the conditions and in the manner provided in the Series 2017E Bonds Resolution.

DELIVERY: The successful bidder must designate within thirty (30) days of the date of sale, or at such other later date as may be designated by the Commission, the names and addresses of the registered owners of the Series 2017E Bonds and the denominations in which the Series 2017E Bonds of each maturity are to be issued. If the successful bidder fails to submit such information within the required time, one Series 2017E Bond may be issued for each maturity in the full amount maturing on that date registered in the name of the successful bidder. The Series 2017E Bonds will be delivered at a place to be designated by the purchaser and without cost to the purchaser, and payment therefor shall be made in immediately available funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Series 2017E Bonds unless specifically declined by the purchaser, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series 2017E Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Series 2017E Bonds shall be paid by the State. The charge for the assignment of said CUSIP numbers shall be the responsibility of and shall be paid for by the purchaser.

LEGAL OPINION; CLOSING DOCUMENTS: The Series 2017E Bonds are offered subject to the unqualified approval of the legality thereof by Jones Walker LLP, Jackson, Mississippi, Bond Counsel. In the opinion of Jones Walker LLP, Jackson, Mississippi, interest on the Bonds is exempt from Mississippi income taxes under existing laws, regulations, rulings, and judicial decisions, with such exceptions as shall be described in the Preliminary Official Statement for the Series 2017E Bonds. A copy of the opinion of Bond Counsel, together with the usual closing papers, including a non-litigation certificate dated the date of delivery of the Series 2017E Bonds, evidencing that no litigation is pending in any way affecting the legality of the Series 2017E Bonds or the taxes to be levied for the payment of the principal thereof and interest thereon, and a transcript of the proceedings relating to the Series 2017E Bonds will be delivered to the successful bidder without charge. The State will pay for all legal fees and will pay for the printing and validation of the Series 2017E Bonds.

INFORMATION FROM PURCHASER: By submission of its bid, the successful bidder will be deemed to have agreed to supply to the State all necessary pricing information and any purchaser identification

determined by the State to be necessary for the Official Statement or otherwise, within 24 hours after the award of the Series 2017E Bonds.

FURTHER INFORMATION: The State has prepared a Preliminary Official Statement which it deems, for purposes of S.E.C. Rule 15c2-12, to be final and complete as of this date except for the omission of the offering prices, interest rates, and any other terms of the Series 2017E Bonds depending on such matters, and the identity of the purchasers, subject to revision, amendment, and completion in a final Official Statement. By submission of its bid, the successful bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Upon the award of the Series 2017E Bonds, the State will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions, and revisions as required to complete the Official Statement. A copy of the Preliminary Official Statement and the PARITY® Bid Form may be obtained from the Office of the State Treasurer, 1101 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi, 39201, (601) 359-3600, Attention: Mr. Jesse Graham, Deputy Treasurer, or from the Department of Finance and Administration, 1301 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi 39201, (601) 359-3160, Attention: Mr. Steven McDevitt, Director, Bond Advisory Division.. The Preliminary Official Statement is also available on www.i-dealprospectus.com.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the State will undertake, pursuant to the Series 2017E Bonds Resolution and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Failure of the State to deliver the Continuing Disclosure Certificate at the time of issuance and delivery of the Series 2017E Bonds shall relieve the successful bidder from its obligation to purchase the Series 2017E Bonds.

By order of the State Bond Commission of the State of Mississippi, on November 8, 2017.

STATE BOND COMMISSION
STATE OF MISSISSIPPI

By: /s/ Jim Hood
Jim Hood, Attorney General, and
Ex-Officio Secretary, State Bond Commission

EXHIBIT C

Thereupon, _____ offered and moved the adoption of the following resolution:

RESOLUTION DIRECTING THE ISSUANCE OF NOT TO EXCEED FORTY-FIVE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$45,500,000) TAXABLE GENERAL OBLIGATION BONDS, SERIES 2017E, OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE THE COSTS OF VARIOUS LONG-TERM CAPITAL IMPROVEMENT PROJECTS WITHIN THE STATE AND VARIOUS ECONOMIC DEVELOPMENT LOANS, GRANTS, AND PROGRAMS OF THE STATE, AND TO PAY THE COSTS INCIDENT TO THE SALE, ISSUANCE, AND DELIVERY OF SAID BONDS; PRESCRIBING THE FORMS AND DETAILS OF SAID BONDS; PROVIDING CERTAIN COVENANTS OF THE STATE IN CONNECTION WITH SAID BONDS; DIRECTING THE PREPARATION, EXECUTION, AND DELIVERY OF SAID BONDS; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH SAID BONDS; DIRECTING THE PREPARATION AND DISTRIBUTION OF A FINAL OFFICIAL STATEMENT IN CONNECTION WITH SAID BONDS; AUTHORIZING A BOND RATING; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A NOTICE OF SALE; AND FOR RELATED MATTERS.

WHEREAS, pursuant to Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature, the State Bond Commission (the "Commission") of the State of Mississippi (the "State") is authorized to issue general obligation bonds of the State under Sections 57-75-15(3)(bb) of the Mississippi Major Economic Impact Act in a principal amount not exceeding Two Hundred Sixty-Three Million Dollars (\$263,000,000), provided that an aggregate principal amount thereof not to exceed Two Hundred Sixty-Three Million Dollars (\$263,000,000) be used for the purposes of financing a "project" as described in Section 57-75-5(f)(xxix) of the Mississippi Major Economic Impact Act, upon receipt of a declaration from the Mississippi Major Economic Impact Authority ("MMEIA") declaring the necessity for the issuance of such general obligation bonds, in accordance with the provisions of the Mississippi Major Economic Impact Act; and

WHEREAS, as required by Section 57-75-15(1) of the Mississippi Major Economic Impact Act, MMEIA submitted a declaration to the Commission on February 11, 2016 (the "Continental Declaration") requesting financing (a) under Section 57-75-15(3)(bb) of the Mississippi Major Economic Impact Act in an aggregate principal amount of not to exceed Two Hundred Sixty-Three Million Dollars (\$263,000,000) for the purpose of financing a "project" as described in Section 57-75-5(f)(xxix) of the Mississippi Major Economic Impact Act for Continental Tire The Americans, LLC, to be located in Hinds County, Mississippi (the "Continental Project"), and the Commission is in receipt of the Continental Declaration; and

WHEREAS, May 16, 2016, the Commission adopted a resolution declaring its intention to issue general obligation bonds of the State, in one or more series, under Sections 57-75-15(3)(bb) of the Mississippi Major Economic Impact Act in an aggregate principal amount of not to exceed Two Hundred Sixty-Three Million Dollars (\$263,000,000) for the purpose of financing the Continental Project; and

WHEREAS, the Commission, acting on behalf of the State, has the authority to issue short-term notes to provide temporary financing for certain projects for which the Commission is otherwise authorized to issue bonds; in July 2016, the State

issued its \$80,000,000 Taxable General Obligation Note, Series 2016A (the "Series 2016A Note") to provide temporary financing for a portion of the costs of the Continental Project, for which there is currently approximately \$40,000,000 outstanding under the Series 2016A Note, maturing July 7, 2018; the Commission hereby states its intention to refinance a portion of the Series 2016A Note with a portion of the proceeds of the Series 2017E Bonds; and

WHEREAS, the Commission has not previously issued a portion of such general obligation bonds of the State under and pursuant to the Mississippi Major Economic Impact Act", Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature, and the Continental Declaration to provide financing for the Continental Project; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the Continental Project, including, but not limited to, refinancing of the Series 2016A Note, under the provisions of Sections 57-75-15(3)(bb) of the Mississippi Major Economic Impact Act in an aggregate principal amount of not to exceed Twenty-Eight Million Two Hundred Fifty Thousand Dollars (\$28,250,000); and

WHEREAS, pursuant to the Mississippi Major Economic Impact Act, the Commission of the State is authorized to issue general obligation bonds of the State under Section 57-75-15(3)(b) of the Mississippi Major Economic Impact Act in a principal amount not exceeding Sixty-Seven Million Dollars (\$67,000,000), to be used for the purposes of financing a "project" as described in Section 57-75-5(f)(ii) of the Mississippi Major Economic Impact Act, upon receipt of a declaration from the MMEIA declaring the necessity for the issuance of such general obligation bonds, in accordance with the provisions of the Mississippi Major Economic Impact Act; and

WHEREAS, as required by Section 57-75-15(1) of the Mississippi Major Economic Impact Act, MMEIA adopted declarations (the "BRAC Declarations") on September 6, 2013, and August 30, 2016, requesting financing under Section 57-75-15(3)(b) of the Mississippi Major Economic Impact Act in an aggregate principal amount of not to exceed Six Million Dollars (\$6,000,000) for the purpose of financing a "project," as described in Section 57-75-5(f)(ii) of the Mississippi Major Economic Impact Act (the "BRAC Projects"), and the Commission is in receipt of the BRAC Declarations; and

WHEREAS, as required by Section 57-75-15(3)(b) of the Mississippi Major Economic Impact Act, the Commission has determined that the issuance of general obligation bonds of the State to fund the BRAC Projects will improve, expand, or otherwise enhance military installations in the State, their support areas or military operations, or will provide employment opportunities to replace those lost by closure or relocations in operations at the military installation, or will support critical studies or investigations authorized by Section 57-75-5(f)(ii) of the Mississippi Major Economic Impact Act; and

WHEREAS, the Commission has previously authorized the sale and issuance of a portion of said general obligation bonds of the State in the principal amount of Sixty-One Million Eight Hundred Forty Thousand Dollars (\$61,840,000) under and pursuant to Section 57-75-15(3)(b) of the Mississippi Major Economic Impact Act to provide financing for the BRAC Projects; and

WHEREAS, pursuant to the BRAC Declarations, MMEIA has requested financing at this time for the BRAC Projects in the amount of Two Million Dollars (\$2,000,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the BRAC Projects under the provisions of Section 57-75-15(3)(b) of the Mississippi Major Economic Impact Act in the total aggregate principal amount of not to exceed Two Million Dollars (\$2,000,000); and

WHEREAS, pursuant to Section 57-1-16, Mississippi Code of 1972, as amended, including, but not limited to, Section 22 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (collectively, the "ACE Act"), the Commission is authorized to issue general obligation bonds of the State in an aggregate principal amount of not to exceed Twenty-Nine Million Two Hundred Thousand Dollars (\$29,200,000) for the purpose of providing funding for the ACE Fund (the "ACE Fund") created under the ACE Act to be used by Mississippi Development Authority (the "MDA") to make grants to local economic development entities to assist in maximizing extraordinary economic development opportunities related to a new or expanding business or industry (the "ACE Project"), upon receipt of a resolution or resolutions of MDA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, the Commission has previously authorized the sale and issuance of a portion of said general obligation bonds of the State in the aggregate principal amount of Seven Million Two Hundred Thousand Dollars (\$7,200,000) under and pursuant to the ACE Act to provide financing for the ACE Project; and

WHEREAS, as required by the ACE Act, MDA adopted a resolution on July 23, 2015, declaring the necessity for the sale and issuance of general obligation bonds of the State in an aggregate principal amount of not to exceed Twenty-Nine Million Two Hundred Thousand Dollars (\$29,200,000) for the purpose of providing financing for the ACE Project under the provisions of the ACE Act, and the Commission is in receipt of the such resolutions; and

WHEREAS, of such amount, MDA has requested financing at this time for the ACE Project in the principal amount of Ten Million Dollars (\$10,000,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the ACE Project under and pursuant to the provisions of the ACE Act in an aggregate principal amount of not to exceed Ten Million Dollars (\$10,000,000); and

WHEREAS, pursuant to Section 57-1-701, Mississippi Code of 1972, as amended, including, but not limited to, Sections 1 and 2 of Senate Bill 3033 of the 2017 Regular Session of the State Legislature (collectively, the "Mississippi Site Development Grant Act"), the Commission is authorized to issue general obligation bonds of the State in an aggregate principal amount of not to exceed Two Million Dollars (\$2,000,000) for the purpose of providing funding for the Mississippi Site Development Grant Fund (the "Mississippi Site Development Grant Fund") created under the Mississippi Site Development Grant Act to be used by MDA to make grants to eligible entities to match local or other funds associated with improving the marketability of publically owned industrial property for industrial economic development purposes and other property improvements as approved by MDA (the "Mississippi Site Development Grant Project"), upon receipt of a resolution or resolutions of MDA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, the Commission has not previously authorized the sale and issuance of any portion of said general obligation bonds of the State in the aggregate principal amount of Two Million Dollars (\$2,000,000) under and pursuant to the Mississippi Site Development Grant Act to provide financing for the Mississippi Site Development Grant Project; and

WHEREAS, as required by the Mississippi Site Development Grant Act, MDA adopted a resolution on September 21, 2017, declaring the necessity for the sale and issuance of general obligation bonds of the State in an aggregate principal amount of not to exceed Two Million Dollars (\$2,000,000) for the purpose of providing financing for the Mississippi Site Development Grant Project under the provisions of the Mississippi Site Development Grant Act, and the Commission is in receipt of the such resolutions; and

WHEREAS, of such amount, MDA has requested financing at this time for the Mississippi Site Development Grant Project in the principal amount of Two Million Dollars (\$2,000,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the Mississippi Site Development Grant Project under and pursuant to the provisions of the Mississippi Site Development Grant Act in an aggregate principal amount of not to exceed Two Million Dollars (\$2,000,000); and

WHEREAS, pursuant to Section 57-61-36, Mississippi Code of 1972, as amended, including, but not limited to, Section 11 of House Bill 787, 2014 Regular Session of the State Legislature (collectively, the "Development Infrastructure Grant Act"), the Commission is authorized to issue general obligation bonds of the State in an aggregate principal amount of not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000) for the purpose of providing funding for the Development Infrastructure Grant Fund (the "Development Infrastructure Grant Fund") created under the Development Infrastructure Grant Act to be used by MDA to make grants to municipalities through the Development Infrastructure Grant Fund to complete infrastructure related to new or expanded industry (the "Development Infrastructure Grant Project"), upon receipt of a resolution or resolutions of MDA declaring the necessity for the issuance of such general obligation bonds of the State pursuant thereto; and

WHEREAS, the Commission has previously authorized the sale and issuance of a portion of said general obligation bonds of the State in the aggregate principal amount of Four Hundred Thousand Dollars (\$400,000) under and pursuant to the Development Infrastructure Grant Act to provide financing for the Development Infrastructure Grant Project; and

WHEREAS, as required by the Development Infrastructure Grant Act, MDA adopted a resolution on June 27, 2014, declaring the necessity for the sale and issuance of general obligation bonds of the State in an aggregate principal amount of not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000) for the purpose of providing financing for the Development Infrastructure Grant Project under the provisions of the Development Infrastructure Grant Act, and the Commission is in receipt of the such resolutions; and

WHEREAS, of such amount, MDA has requested financing at this time for the Development Infrastructure Grant Project in the principal amount of Two Million Six Hundred Thousand Dollars (\$2,600,000); and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide financing for the Development Infrastructure Grant Project under and pursuant to the provisions of the Development Infrastructure Grant Act in an aggregate principal amount of not to exceed Two Million Six Hundred Thousand Dollars (\$2,600,000); and

WHEREAS, pursuant to (a) the Mississippi Major Economic Impact Act and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature, (b) the Mississippi Major Economic Impact Act (c) the ACE Act (d) Mississippi Site Development Grant Act, and (e) the Development Infrastructure Grant Act (collectively "the Acts"), the Commission is authorized to issue general obligation bonds of the State in an aggregate principal amount of not to exceed Forty-Five Million Five Hundred Thousand Dollars (\$45,500,000) for the purpose of providing funds for the (a) the Continental Project, (b) the BRAC Projects, (c) the ACE Project, (d) the Mississippi Site Development Grant Project, and (e) the Development Infrastructure Grant Project (collectively, the "Projects"), upon receipt of a resolution from DFA declaring the necessity for the issuance of general obligation bonds of the State pursuant thereto; and

WHEREAS, the Commission has determined that it is in the best interest of the State to provide for the financing of the Projects pursuant to the Acts by issuing State of Mississippi Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds") in a principal amount not to exceed Forty-Five Million Five Hundred Thousand Dollars (\$45,500,000); and

WHEREAS, the proceeds of the Series 2017E Bonds will be used to provide for the financing of the Projects as follows: (a) the Continental Project in the amount of Twenty-Eight Million Two Hundred Fifty Thousand Dollars (\$28,250,000), (b) the BRAC Projects in the amount of Two Million Dollars (\$2,000,000), (c) the ACE Project in the amount Ten Million Dollars (\$10,000,000), (d) the Mississippi Site Development Grant Project in the amount of Two Million Dollars (\$2,000,000), (e) the Development Infrastructure Grant Project in the amount of Two Million Six Hundred Thousand Dollars (\$2,600,000), and (f) the costs of issuance of the Series 2017E Bonds; and

WHEREAS, because of the requirements of the Internal Revenue Code of 1986, as amended, it is not possible to structure the financing of the Projects so as to provide for the exclusion of interest from the gross income of the holders of the Series 2017E Bonds for federal income tax purposes; and

WHEREAS, funds are not otherwise available for the purposes for which the Series 2017E Bonds are to be issued, and it has now become advisable that the Commission proceed to make provision for the preparation, execution, issuance, sale, and delivery of the Series 2017E Bonds; and

WHEREAS, the issuance of the Series 2017E Bonds does not exceed any statutory or constitutional limitation; and

WHEREAS, the Series 2017E Bonds are being issued contemporaneously with the State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt) in a principal amount not to exceed Fifty-Four Million Five Hundred Thousand Dollars (\$54,500,000); and

WHEREAS, by resolution dated October 17, 2017, the Commission (a) designated Jones Walker, LLP, Jackson, Mississippi, as bond counsel ("Bond Counsel") in connection with the Series 2017E Bonds and (b) designated Hilltop Securities, Inc., Dallas, Texas, to serve as the Independent Registered Municipal Advisor (the "Financial Advisor") in connection with the Series 2017E Bonds; and

WHEREAS, there has been prepared and submitted to this meeting, the form of the Preliminary Official Statement, in substantially the form attached hereto as **Exhibit A** (the "Preliminary Official Statement"), describing the Series 2017E Bonds, the State, and the Projects, said Preliminary Official Statement including a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"), in the form attached as "Appendix C" to the Preliminary Official Statement, setting forth the State's agreement with regard to continuing disclosure, and said Preliminary Official Statement including an Official Notice of Bond Sale (the "Notice of Sale"), in the form attached as "Appendix G" to the Preliminary Official Statement, setting for the parameters of the State's acceptance of bids for the Series 2017E Bonds; and

WHEREAS, the Commission finds that the publication of the Notice of Sale at least two (2) times in the *Clarion-Ledger*, a newspaper published in and of general circulation in the City of Jackson in the State, is advisable, the first publication thereof to be made at least ten (10) days preceding the date fixed for the receipt of bids, said Notice of Sale being in substantially the form attached as "Appendix G" to the Preliminary Official Statement; and

WHEREAS, the Commission finds that the requirement of a "good faith deposit" is advisable, based upon further deliberation by the Representatives (as hereinafter defined); and

WHEREAS, it appears that each of the documents referred to above, which documents are now before the Commission, is in appropriate form and is an appropriate document for the purpose identified; and

WHEREAS, it is advisable and in the public interest to authorize the Representatives to arrange for a bond rating for the Series 2017E Bonds; and

WHEREAS, all conditions, acts, and things required by the Acts and the Constitution and laws of the State to have existed, to have happened, and to have been performed precedent to and in connection with the adoption of this resolution, the sale and issuance of the Series 2017E Bonds, and the preparation and distribution of the Preliminary Official Statement, have happened and have been performed in regular and due time, form, and manner as required by law; and

WHEREAS, it is proposed that the Commission should take all such additional actions, authorize the execution of such documents and certificates and authorize such other actions and proceedings as shall be necessary in connection with the sale and issuance of the Series 2017E Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION, AS FOLLOWS:

SECTION 1. Each and all of the facts and findings set forth in the premises clauses of this resolution are hereby found and determined to be true and accurate and are incorporated herein by this reference thereto as though set forth again in words and figures.

SECTION 2. The Commission hereby ratifies and confirms the actions of the State Treasurer of the State (the "State Treasurer") and the Executive Director of the Mississippi Department of Finance and Administration (the "Executive Director" of the "DFA"), and their respective staffs, and a representative of the Attorney General of the State (collectively, the "Representatives"), in connection with the prior actions taken in connection with the sale and issuance of the Series 2017E Bonds, including, but not limited to, the offer for sale of the Series 2017E Bonds and the preparation of the Preliminary Official Statement.

SECTION 3. Proceeding under the authority of the Acts, there shall be and there are hereby authorized and directed to be issued Taxable General Obligation Bonds, Series 2017E, of the State, in an aggregate principal amount of not to exceed Forty-Five Million Five hundred Thousand Dollars (\$45,500,000) (the "Series 2017E Bonds").

SECTION 4. The Series 2017E Bonds are being issued for the purpose of providing funds for the financing of the Projects and the payment of costs related to the sale and issuance of the Series 2017E Bonds.

SECTION 5. Pursuant to the Acts, the Series 2017E Bonds shall be general obligations of the State, and the full faith and credit of the State are hereby pledged to secure the payment of the principal of and interest on the Series 2017E Bonds as they become due, and if funds appropriated by the Legislature of the State are insufficient to pay the principal of and interest on the Series 2017E Bonds as the same become due, the deficiency will be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

SECTION 6. The Series 2017E Bonds shall be payable, both as to principal and interest, from the Series 2017E Bond and Interest Fund (as hereinafter defined), the Mississippi Major Economic Impact Authority Sinking Fund (the "MMEIA Sinking Fund"), and from appropriations from the State's General Fund made pursuant to the Acts.

SECTION 7. The Series 2017E Bonds shall be registered as to both principal and interest; shall be dated their date of delivery; shall be issued in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a

single maturity; shall be numbered from one (1) upward in the order of issuance; shall bear interest from the date thereof at the rate or rates specified by further order of the Commission, payable on December 1, 2018, and semiannually thereafter each year; and shall mature and become due and payable, with option of prior payment, on December 1 of each year for a term not to exceed twenty (20) years from the date of issuance of the Series 2017E Bonds.

SECTION 8. The Series 2017E Bonds maturing after December 1, 2027, will be subject to optional redemption prior to their respective maturities on or after December 1, 2027, either in whole or in part on any date (as selected by the State among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium. For Series 2017E Bonds held in the book-entry system, if less than all of the Series 2017E Bonds shall be called for redemption, the State shall notify DTC (as hereinafter defined) that the redemption shall be by lot in whole multiples of \$5,000. While DTC is the registered owner of the Series 2017E Bonds, partial redemptions (including any sinking fund payments) of the Series 2017E Bonds of a particular maturity will be determined in accordance with DTC's procedures as in effect at the time of any such partial redemption. For Series 2017E Bonds, not Held in book-entry system, if less than all of the Series 2017E Bonds subject to redemption are called for redemption, the Paying and Transfer Agent (as hereinafter defined) shall select the Series 2017E Bonds to be redeemed from the outstanding Series 2017E Bonds subject to redemption and not previously called for redemption, by lot in any manner deemed reasonable by the Paying and Transfer Agent, provided that the unredeemed portion of the principal amount of any Series 2017E Bond shall be not less than \$5,000. Notice of the call for any redemption (which may be a conditional notice), identifying the Series 2017E Bonds (or any portions thereof in authorized denominations) to be redeemed, will be given by the State at least 30 days but not more than 45 days prior to the date fixed for redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Series 2017E Bond to be redeemed at the address shown on the records of the Paying and Transfer Agent. Failure to mail such notice to any particular owner of Series 2017E Bonds, or any defect in the notice mailed to any such owner of Series 2017E Bonds, will not affect the validity of any proceeding for the redemption of any other Series 2017E Bonds. So long as DTC or its nominee is the registered owner of the Series 2017E Bonds, notice of the call for any redemption will be given to DTC, and not directly to Beneficial Owners

SECTION 9. The Series 2017E Bonds shall not bear an overall maximum interest rate to maturity greater than eleven percent (11%) per annum as allowed by Section 75-17-101, Mississippi Code of 1972, as amended. Interest on the Series 2017E Bonds shall be computed on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

SECTION 10. The Series 2017E Bonds shall be initially issued and held under a book-entry system as fully registered bonds in the denominations of \$5,000 or any integral multiple thereof, as more fully described in "Appendix F" to the Preliminary Official Statement.

SECTION 11. (a) Notwithstanding anything to the contrary in this resolution, so long as the Series 2017E Bonds are being held under a book-entry system, transfers of beneficial ownership of the Series 2017E Bonds will be effected pursuant to rules and procedures established by the Securities Depository. For purposes of this resolution, "Securities Depository" shall mean a recognized securities depository (or its successor or substitute) selected by the State to act as the securities depository maintaining a book-entry transfer system for the Series 2017E Bonds.

(b) As long as a book-entry system is in effect for the Series 2017E Bonds, the Securities Depository Nominee will be recognized as the registered owner of the Series 2017E Bonds for the purpose of (1) paying the principal of or interest on such Series 2017E Bonds, (2) giving any notice permitted or required to be given

to registered owners of the Series 2017E Bonds under this resolution, (3) registering the transfer of such Series 2017E Bonds, and (4) requesting any consent or other action to be taken by the registered owners of such Series 2017E Bonds, and for all other purposes whatsoever, and neither the State nor the State Treasurer, as the paying agent, registrar, and transfer agent (the "Paying and Transfer Agent"), shall be affected by any notice to the contrary. For the purposes of this resolution, "Securities Depository Nominee" shall mean, with respect to the Series 2017E Bonds and as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name the Series 2017E Bonds shall be registered on the registration books of the State maintained by the Paying and Transfer Agent pursuant to Section 20 hereof during the time such Series 2017E Bonds are held under a book-entry system through such Securities Depository.

(c) Neither the State nor the Paying and Transfer Agent shall have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in any Series 2017E Bonds which are registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as registered owner of such Series 2017E Bonds.

(d) The Paying and Transfer Agent shall pay all principal of and interest on the Series 2017E Bonds issued under the book-entry system, only to the Securities Depository, or the Securities Depository Nominee, as the case may be, for such Series 2017E Bonds, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of and interest on such Series 2017E Bonds.

(e) In the event that the Commission determines that it is in the best interest of the State to discontinue the book-entry system of transfer for the Series 2017E Bonds, or that the interests of the beneficial owners of the Series 2017E Bonds may be adversely affected if the book-entry system is continued, then the State shall notify the Securities Depository and the Paying and Transfer Agent of such determination. In such event, the State shall execute and the Paying and Transfer Agent shall, pursuant to subsequent resolution of the Commission, authenticate, register and deliver physical certificates for the Series 2017E Bonds in exchange for the Series 2017E Bonds registered in the name of the Securities Depository. Such certificates shall be in fully registered form and transferable only upon the registration books of the State maintained by the Paying and Transfer Agent, by the registered owner thereof or by such registered owner's attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent, duly executed by the registered owner or such registered owner's duly authorized attorney in accordance with this resolution.

(f) In the event that the Securities Depository for the Series 2017E Bonds discontinues providing its services, the Commission shall either engage the services of another Securities Depository or deliver physical certificates in the manner described in subparagraph (e) above.

(g) In connection with any notice or other communication to be provided to the registered owners of the Series 2017E Bonds by the State or by the Paying and Transfer Agent with respect to any consent or other action to be taken by the registered owners, the Commission or the Paying and Transfer Agent, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

(h) The Series 2017E Bonds shall be issued initially under the book-entry system maintained by the Depository Trust Company, New York, New York ("DTC") and shall be registered in the name of Cede & Co., as the initial Securities Depository Nominee for the Series 2017E Bonds. As long as the Series 2017E Bonds are maintained by DTC under its book-entry system, all payments with respect to the

principal of and interest on the Series 2017E Bonds and notices shall be made and given to DTC.

SECTION 12. The principal of the Series 2017E Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof as the same shall become due at the office of Paying and Transfer Agent in Jackson, Mississippi. Subject to the provisions of Section 6 hereof, interest will be payable by check or draft drawn upon the State, made payable to the registered owner named in, and mailed to the address of the registered owner as it shall appear on the registration books of the State for the Series 2017E Bonds maintained by the Paying and Transfer Agent pursuant to the provisions of Section 20 hereof. The State and the Paying and Transfer Agent may deem and treat the registered owners of the Series 2017E Bonds as the absolute owners for the purposes of receiving payment of or on account of principal of and interest on the Series 2017E Bonds and for all other purposes and neither the State or the Paying and Transfer Agent shall be affected by any notice to the contrary. The State Treasurer is hereby designated as the Paying and Transfer Agent for the Series 2017E Bonds.

SECTION 13. The Preliminary Official Statement, in the form attached hereto as **Exhibit A**, and the preparation thereof by the Representatives and Bond Counsel is hereby approved. The Commission deems the Preliminary Official Statement to be "final" as required by Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(1). The Representatives are hereby authorized and directed to distribute the Preliminary Official Statement with such changes, insertions, and omissions as may be approved by the Representatives, said distribution being conclusive evidence of such approval.

SECTION 14. Each Member of the Commission (an "Authorized Officer") is hereby authorized and directed to prepare, execute, and distribute a final Official Statement in connection with the Series 2017E Bonds substantially in the form of the Preliminary Official Statement, with such changes, omissions, insertions, and revisions to and from the Preliminary Official Statement as they shall deem necessary and approve, said execution being conclusive evidence of such approval, and to deliver such Official Statement to the purchasers of the Series 2017E Bonds.

SECTION 15. (a) Pursuant to the Mississippi Major Economic Impact Act and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature, Twenty-Eight Million Two Hundred Fifty Thousand Dollars (\$28,250,000) of the monies received pursuant to the issuance of the Series 2017E Bonds shall be deposited with the State Treasury in the account for the Continental Project" (the "Continental Account") previously established in the Mississippi Major Economic Impact Authority Fund (the "MMEIA Fund") created under the Mississippi Major Economic Impact Act and applied for the purposes described in this resolution and in accordance with Mississippi Major Economic Impact Act, including, without limitation, refinancing of the Series 2016A Note. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the Mississippi Major Economic Impact Act, any and all investment earnings thereon shall be deposited in MMEIA Sinking Fund established by the Mississippi Major Economic Impact Act and prior resolutions of the Commission and used to pay debt service on the Series 2017E Bonds. Expenditures authorized by Section 57-75-15(4) of the Mississippi Major Economic Impact Act for the Continental Project shall be paid by the State Treasurer upon warrants drawn from the Continental Account issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of MMEIA or such officer's designee.

(b) Pursuant to Section 57-75-15(3)(b) of the Mississippi Major Economic Impact Act, Two Million Dollars (\$2,000,000) of the monies received pursuant to the issuance of the Series 2017E Bonds shall be deposited with the State Treasury in the BRAC Account (the "BRAC Account") previously established in the MMEIA Fund, created under the provisions of the Mississippi Major Economic Impact Act, and applied for the purposes described in this resolution and in

accordance with the Mississippi Major Economic Impact Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the Mississippi Major Economic Impact Act, any and all investment earnings thereon shall be deposited in the MMEIA Sinking Fund established by the Mississippi Major Economic Impact Act and prior resolutions of the Commission and used to pay debt service on the Series 2017E Bonds. Expenditures authorized by Section 57-75-15(4) of the Mississippi Major Economic Impact Act for the BRAC Projects shall be paid by the State Treasurer upon warrants drawn from the BRAC Account issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of MMEIA or such officer's designee.

(c) Pursuant to the ACE Act, Ten Million Dollars (\$10,000,000) of the monies received pursuant to the issuance of the Series 2017E Bonds shall be deposited with the State Treasury in the ACE Fund and applied for the purposes described in this resolution and in accordance with the ACE Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the ACE Act, any and all investment earnings on Series 2017E Bond proceeds deposited in the ACE Fund shall be deposited to the credit of the ACE Fund and used to pay debt service on the Series 2017E Bonds. Expenditures authorized by the ACE Act from the ACE Fund shall be paid by the State Treasurer upon warrants drawn from the ACE Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of MDA or such officer's designee.

(d) Pursuant to the Mississippi Site Development Grant Act, Two Million Dollars (\$2,000,000) of the monies received pursuant to the issuance of the Series 2017E Bonds shall be deposited with the State Treasury in the Mississippi Site Development Grant Fund and applied for the purposes described in this resolution and in accordance with the Mississippi Site Development Grant Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the Mississippi Site Development Grant Act, any and all investment earnings on Series 2017E Bond proceeds deposited in the Mississippi Site Development Grant Fund shall be deposited to the credit of the Mississippi Site Development Grant Fund and used to pay debt service on the Series 2017E Bonds. Expenditures authorized by the Mississippi Site Development Grant Act from the Mississippi Site Development Grant Fund shall be paid by the State Treasurer upon warrants drawn from the Mississippi Site Development Grant Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of MDA or such officer's designee.

(e) Pursuant to the Development Infrastructure Grant Act, Two Million Six Hundred Thousand Dollars (\$2,600,000) of the monies received pursuant to the issuance of the Series 2017E Bonds shall be deposited with the State Treasury in the Development Infrastructure Grant Fund and applied for the purposes described in this resolution and in accordance with the Development Infrastructure Grant Act. Pending application for the purposes described herein, such monies shall be invested in the manner provided by law and, in accordance with the Development Infrastructure Grant Act, any and all investment earnings on Series 2017E Bond proceeds deposited in the Development Infrastructure Grant Fund shall be deposited to the credit of the Development Infrastructure Grant Fund and used to pay debt service on the Series 2017E Bonds. Expenditures authorized by the Development Infrastructure Grant Act from the Development Infrastructure Grant Fund shall be paid by the State Treasurer upon warrants drawn from the Development Infrastructure Grant Fund issued by DFA, which warrants shall be issued upon requisitions signed by the Executive Director of MDA or such officer's designee.

(f) There is hereby created in the State Treasury a special fund, separate and apart from any other funds of the State, including the General Fund, to be designated as the "Series 2017E Bond and Interest Fund" which will be used, in addition to other funds of the State, to pay the principal of and interest on the Series 2017E Bonds. There shall be deposited into the Series 2017E Bond and Interest

Fund as and when received (a) the accrued interest and premium, if any, received upon delivery of the Series 2017E Bonds, (b) any income received from investment of monies in the Series 2017E Bond and Interest Fund, and (c) any other funds which may be lawfully used for payment of the principal of and interest on the Series 2017E Bonds, including, but not limited to, investment earnings from the other funds and accounts of the State as provided herein. Nothing in this subparagraph shall prohibit the Commission from using all or a portion of any premium derived from the sale of the Series 2017E Bonds to pay the costs of the sale and issuance of the Series 2017E Bonds.

(g) If the Series 2017E Bonds are sold with net original issue discount, the amounts to be deposited in accordance with this Section 15 shall be reduced on a pro rata basis determined by the amount of said net original issue discount.

SECTION 16. Interest on the Series 2017E Bonds should be treated as includable in gross income of the holders thereof for federal income tax purposes. Pursuant to the Acts, the interest on the Series 2017E Bonds is exempt from State income taxes.

SECTION 17. Pursuant to SEC Rule 15c2-12(b)(5), the State covenants and agrees to execute the Continuing Disclosure Certificate, in substantially the form attached as "Appendix C" to the Preliminary Official Statement, and to comply with the covenants set forth therein and carry out all of the provisions of the Continuing Disclosure Certificate. In the event the State fails to comply with the provisions of the Continuing Disclosure Certificate, any bondholder may take such actions as may be necessary and appropriate, including mandate or specific performance by court order, to cause the State to comply with its obligations set forth in the Continuing Disclosure Certificate and this Section 17.

SECTION 18. Pursuant to the authority granted by the Acts and the Registered Bond Act, being Section 31-21-1 *et seq.*, Mississippi Code of 1972, as amended (the "Registered Bond Act"), the Series 2017E Bonds shall be executed by the manual or facsimile signatures of the Governor of the State and Ex Officio Chairman of the Commission and the State Treasurer and Ex Officio member of the Commission and the official seal of the Commission shall be affixed or lithographed or otherwise reproduced thereon, attested by the manual or facsimile signature of the Attorney General of the State and Ex Officio Secretary of the Commission and the Series 2017E Bonds shall be authenticated by the Paying and Transfer Agent. The Paying and Transfer Agent shall authenticate each Series 2017E Bond by executing the Paying and Transfer Agent's Certificate thereon. No Series 2017E Bond shall be valid or become obligatory for any purpose until such certificate shall have been duly executed by the Paying and Transfer Agent. Such certificate, when duly executed on behalf of the State, shall be conclusive evidence that the Series 2017E Bond so authenticated has been duly authenticated and delivered. The validation certificate, for which provision is hereinafter made, to appear on each Series 2017E Bond, shall be executed by the Attorney General of the State and Ex Officio Secretary of the Commission, and the said certificate may be executed by the manual or facsimile signature of the Attorney General of the State as Ex Officio Secretary of the Commission.

SECTION 19. The form of the Series 2017E Bonds, the certificates to appear on the Series 2017E Bonds, and the Paying and Transfer Agent's Certificate shall be in substantially the following forms, and the State Treasurer be and is hereby authorized and directed to make such changes, insertions, and omissions therein as may in her opinion be required:

[FORM OF SERIES 2017E BOND]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE PAYING AND TRANSFER AGENT (AS HEREINAFTER DEFINED) FOR REGISTRATION OF

TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

INTEREST ON THIS BOND SHOULD BE TREATED AS INCLUDABLE IN GROSS INCOME OF THE HOLDER HEREOF FOR FEDERAL INCOME TAX PURPOSES

Number E- _____ \$ _____

UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION BOND,
SERIES 2017E

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	_____, 20____	_____, 20____	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL SUM: _____

THE STATE OF MISSISSIPPI (the "State") hereby acknowledges itself indebted and for value received hereby promises to pay to the registered owner named above or registered assigns, on the maturity date stated above, upon presentation and surrender of this Bond at the Office of the State Treasurer in the City of Jackson, Mississippi (the State Treasurer and any bank appointed as successor thereto hereinafter called collectively, the "Paying and Transfer Agent"), the principal sum stated hereon in lawful money of the United States of America, and to pay to the registered owner hereof or registered assigns interest on such principal sum, in like money, from the dated date of this Bond until the maturity date hereof, at the interest rate per annum stated hereon, payable on the first day of _____ and _____ of each year, commencing _____, 20____, by check or draft drawn upon the Paying and Transfer Agent, made payable to the registered owner named in, and mailed to the address of the registered owner as it shall appear on the registration books held by the Paying and Transfer Agent as of the close of business on the date which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding each interest payment date. Interest on this Bond will be computed on the basis of a 360-day year consisting of twelve (12) thirty (30) day months.

This Bond is one of an authorized issue of taxable general obligation bonds (the "Series 2017E Bonds") of like date, tenor and effect, except as to rate of interest and date of maturity aggregating the principal sum of Forty-Five Million Five hundred Thousand Dollars (\$45,500,000), issued by the State pursuant to and in conformity with the Constitution and statutes of the State, including, among others, the Acts (as hereinafter defined), and a resolution duly adopted by the State Bond Commission of the State (the "Commission") on _____, 20____ (the "Resolution"), for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized under the Acts and the Resolution. Reference is hereby made to the Resolution, copies of which are on file at the Office of the State Treasurer in Jackson, Mississippi, to all of the provisions of which the registered owner hereof assents by acceptance of this Bond.

This Bond is issued pursuant to Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; pursuant to the Mississippi Major Economic Impact Act; pursuant to Section 57-1-16, Mississippi Code of 1972, as amended, including, but not limited to, Section 22 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (collectively, the "ACE Act"); pursuant to Section 57-1-701, Mississippi Code of 1972, as amended, including, but not limited to, Sections 1 and 2 of Senate Bill 3033 of the 2017 Regular Session of the State Legislature (collectively, the "Mississippi Site Development Grant Act"); and, pursuant to Section 57-61-36, Mississippi Code of 1972, as amended, including, but not limited to, Section 11 of House Bill 787, 2014 Regular Session of the State Legislature (collectively, the "Development Infrastructure Grant Act") (collectively, the "Acts").

Pursuant to the Acts, this Bond constitutes a general obligation of the State, and for the payment thereof, the State has irrevocably pledged the full faith and credit of the State. The Acts provide that if the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017E Bonds as the same become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

This Bond and the interest hereon are payable from the Series 2017E Bond and Interest Fund and the Mississippi Major Economic Impact Authority Sinking Fund established in the State Treasury, and from appropriations from the State's General Fund, by the provisions of the Resolution and the Acts.

This Bond is transferable only upon the books maintained for that purpose at the Office of the State Treasurer upon surrender at said office, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent duly executed by the registered owner or its authorized attorney, and thereupon a new bond or bonds of like series, maturity, interest rate and aggregate principal amount shall be issued to the transferee. In like manner, this Bond may be exchanged for an equal aggregate principal amount of Bonds of any other authorized denominations. The Series 2017E Bonds are issuable in the authorized denominations of \$5,000 or any integral multiple thereof. The issuance, transfer, exchange and replacement of the Series 2017E Bonds of this issue and other similar matters are governed by conditions on file at the Office of the State Treasurer.

The Series 2017E Bonds maturing after December 1, 2027, will be subject to optional redemption prior to their respective maturities on or after December 1, 2027, either in whole or in part on any date (as selected by the State among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium. For Series 2017E Bonds held in the book-entry system, if less than all of the Series 2017E Bonds shall be called for redemption, the State shall notify DTC (as hereinafter defined) that the redemption shall be by lot in whole multiples of \$5,000. While DTC is the registered owner of the Series 2017E Bonds, partial redemptions (including any sinking fund payments) of the Series 2017E Bonds of a particular maturity will be determined in accordance with DTC's procedures as in effect at the time of any such partial redemption. For Series 2017E Bonds, not Held in book-entry system, if less than all of the Series 2017E Bonds subject to redemption are called for redemption, the Paying and Transfer Agent (as hereinafter defined) shall select the Series 2017E Bonds to be redeemed from the outstanding Series 2017E Bonds subject to redemption and not previously called for redemption, by lot in any manner deemed reasonable by the Paying and Transfer Agent, provided that the unredeemed portion of the principal amount of any Series 2017E Bond shall be not less than \$5,000. Notice of the call for any redemption (which may be a conditional notice), identifying the Series 2017E Bonds (or any portions thereof in authorized denominations) to be redeemed, will be given by the State at least 30 days but not more than 45 days prior to the date fixed for redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Series 2017E Bond to be redeemed at the address shown on the records of the Paying

and Transfer Agent. Failure to mail such notice to any particular owner of Series 2017E Bonds, or any defect in the notice mailed to any such owner of Series 2017E Bonds, will not affect the validity of any proceeding for the redemption of any other Series 2017E Bonds. So long as DTC or its nominee is the registered owner of the Series 2017E Bonds, notice of the call for any redemption will be given to DTC, and not directly to Beneficial Owners.

Bonds for the payment of which sufficient moneys, or, to the extent permitted by the laws of the State, (a) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America or any of its agencies ("Government Obligations"), or (b) certificates of deposit or municipal obligations fully secured by Government Obligations, or (c) evidences of ownership of proportionate interests in future interest or principal payments on Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the Government Obligations and which Government Obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated, or (d) municipal obligations, the payment of the principal of, interest and redemption premium, if any, on which are irrevocably secured by Government Obligations and which Government Obligations are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and have been deposited in an escrow account which is irrevocably pledged to the payment of the principal of and interest and redemption premium, if any, on such municipal obligations (all of which collectively, with Government Obligations, "Defeasance Securities"), shall have been deposited with an escrow agent appointed for such purpose, which may be the Paying and Transfer Agent, all to the extent provided in the Resolution, shall be deemed to have been paid, shall cease to be entitled to any lien, benefit or security under the Resolution and shall no longer be deemed to be outstanding thereunder, and the registered owners shall have no rights in respect thereof except to receive payment of the principal of and interest on such Bonds from the funds held for that purpose. Defeasance Securities shall be considered sufficient under the Resolution if said investments, with interest, mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due on such Bonds.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all acts, conditions, and things required to exist, happen, and to be performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form, and manner as required by law, and that the issuance of this Bond and the issue of which it forms a part, together with all other obligations of the State, does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Paying and Transfer Agent of the Paying and Transfer Agent's Certificate hereon.

The State and the Paying and Transfer Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the State nor the Paying and Transfer Agent shall be affected by any notice to the contrary.

IN WITNESS WHEREOF, the State of Mississippi, acting by and through its State Bond Commission, has caused this Bond to be executed in its name by the manual or facsimile signatures of the Governor of the State of Mississippi and Ex Officio Chairman of the State Bond Commission and the Treasurer of the State of Mississippi and Ex Officio member of the State Bond Commission, and has caused the official seal of the State Bond Commission to be affixed hereto, attested by the manual or facsimile signature of the Attorney General of the State of Mississippi and Ex Officio Secretary of the State Bond Commission.

(State Bond Commission Seal)

STATE OF MISSISSIPPI

By _____
Governor

By _____
State Treasurer

ATTEST:

Attorney General

PAYING AND TRANSFER AGENT'S CERTIFICATE

This Bond is one of the Series 2017E Bonds of the above-designated issue delivered in accordance with the terms of the within mentioned Resolution.

State Treasurer, as Paying and
Transfer Agent

Date of Registration and Authentication: _____

VALIDATION CERTIFICATE

**STATE OF MISSISSIPPI
HINDS COUNTY**

I, Jim Hood, Attorney General of the State of Mississippi and Ex Officio Secretary of the State Bond Commission of the State of Mississippi, do hereby certify that the issuance of the Series 2017E Bonds of which the within Bond is one has been validated and confirmed by decree of the Chancery Court of the First Judicial District of Hinds County, Mississippi, rendered on the ____ day of _____, 20 ____.

Attorney General

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____ as registrar and transfer agent to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Signature guaranteed:

(Bank, Trust Company or Paying Agent)

(Authorized Officer)

Date of Assignment: _____

Insert Social Security Number or other Tax
Identification Number of Assignee

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without any alteration whatever, and must be guaranteed by a commercial bank or trust company or a member of a national securities exchange who is a member of a Medallion Signature Guarantee Program.

[END OF FORM OF SERIES 2017E BOND]

SECTION 20. The Commission hereby adopts, pursuant to the authority granted by the Acts and the Registered Bond Act and subject to the provisions of Section 6 hereof, the following conditions which are to apply to the issuance, transfer, exchange and replacement of the Series 2017E Bonds and referred to below as the "bonds" or the "bond," and other similar matters:

**CONDITIONS AS TO THE ISSUANCE, TRANSFER, EXCHANGE
AND REPLACEMENT OF THE SERIES 2017E BONDS**

"Paying and Transfer Agent" as used in these Conditions means the State Treasurer or the bank or banks designated by action of the Commission as the Paying and Transfer Agent with respect to such bonds and whose duties and responsibilities shall be as further limited or set forth in the form of bond for such bonds.

The terms and provisions of this Section 19 shall be subject to the terms and provisions of Section 6 of this resolution. The principal of all bonds shall be payable at the office of the Paying and Transfer Agent, and payment of the interest on each bond shall be made by the Paying and Transfer Agent on each interest payment date to the person appearing on the registration books of the State (hereinafter provided for) as the registered owner thereof as of the close of business on the date which shall be the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding such interest payment date, by check or draft mailed to such registered owner at such registered owner's address as it appears on such registration books. Payment of the principal of all bonds shall be made upon the presentation and surrender for cancellation of such bonds as the same shall become due and payable.

Bonds, upon surrender thereof at said office of the Paying and Transfer Agent with a written instrument of transfer satisfactory to such Paying and Transfer Agent duly executed by the registered owner or such registered owner's authorized attorney, may be exchanged for bonds of like maturity and interest rate of any other authorized denominations. Each such bond shall be dated as of the date six (6) months preceding the interest payment date thereon next following the date of delivery of such bond in registered form, unless such date of delivery shall be an interest payment date in which case it shall be dated as of such date of delivery, and every such bond in registered form shall bear interest from its date.

So long as the bonds shall remain outstanding, the State shall cause the Paying and Transfer Agent to maintain and keep, at the office of the Paying and Transfer Agent, registration books for the registration and transfer of bonds, and, upon presentation thereof for such purpose at such office, the State shall cause the Paying and Transfer Agent to register or

cause to be registered thereon, and permit to be transferred thereon, under such reasonable regulations as the State Treasurer or the Paying and Transfer Agent may prescribe, any bond. So long as any of the bonds remain outstanding, the State shall make all necessary provisions to permit the exchange of bonds at the office of the Paying and Transfer Agent.

All bonds shall be transferable only upon the registration books which shall be maintained for that purpose at the office of the Paying and Transfer Agent, by the registered owner thereof in person or such registered owner's authorized attorney, upon surrender thereof, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent, duly executed by the registered owner or such registered owner's authorized attorney, and upon such transfer there shall be issued in the name of the transferee a new bond or bonds in registered form of the same series in the same aggregate principal amount and of like maturity and interest rate as the bond or bonds surrendered. Bonds issued in connection with transfers shall be dated in the same manner provided above for the dating of bonds issued in connection with exchanges.

Neither the State nor the Paying and Transfer Agent shall be required (a) to exchange or transfer bonds for a period of fifteen (15) days next preceding an interest payment date on the bonds or next preceding any selection of bonds to be redeemed or thereafter until the first mailing of any notice of redemption, or (b) to transfer or exchange any bond called for redemption.

All bonds surrendered in any exchanges or transfers shall forthwith be canceled by the Paying and Transfer Agent and thereafter transmitted to the State Treasurer.

Prior to the issuance or delivery of any bond, whether upon original issuance, transfer, exchange or replacement, the Paying and Transfer Agent shall manually execute the certificate of authentication provided thereon. No bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Paying and Transfer Agent. Such certificate of the Paying and Transfer Agent upon any bond executed on behalf of the State shall be conclusive evidence that the bond so authenticated has been duly authenticated and delivered.

Bonds bearing the facsimile signature of any person who shall have been the Governor, State Treasurer or Attorney General at the time such bonds were originally dated or delivered by the State shall bind the State notwithstanding the fact that he or she may have ceased to be such officer prior to the delivery of such bonds or was not such officer at the date of such bonds.

Except as otherwise required by law, if (a) any mutilated bond is surrendered to the Paying and Transfer Agent at the office of the Paying and Transfer Agent, or the Paying and Transfer Agent receives evidence to its satisfaction of the destruction, loss or theft of any bond and (b) there is delivered to the Paying and Transfer Agent such security and/or indemnity as may be required by it and by the State Treasurer to save harmless the State and the Paying and Transfer Agent, and as otherwise required by law, then, in the absence of notice to the Paying and Transfer Agent that such bond has been acquired by a bona fide purchaser as such term is defined in the Uniform Commercial Code as it is then in effect in the State, the Paying and Transfer Agent shall authenticate and deliver, in exchange for any such mutilated bond, or in lieu of any such destroyed, lost or stolen bond, a new bond of like tenor and principal amount, bearing

a number not contemporaneously outstanding. The Paying and Transfer Agent shall thereupon cancel any bond so surrendered.

In case any mutilated, destroyed, lost or stolen bond has become or is about to become due and payable, the Paying and Transfer Agent in its discretion may, instead of issuing a new bond, pay such bond.

Each new bond issued pursuant to this Section in lieu of any surrendered, destroyed, lost or stolen bond shall constitute an additional contractual obligation of the State and shall be entitled to all benefits equally and proportionately with any and all other bonds duly issued. All bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen bonds, and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen bonds or securities.

Notwithstanding the foregoing provisions of these conditions, no bonds shall be exchanged for other bonds or be registered or transferred or issued or delivered by or on behalf of the State or the Paying and Transfer Agent pursuant to this Section at the request of a holder or owner of a bond, except upon payment to such Paying and Transfer Agent by or on behalf of such holder or owner of a charge sufficient to reimburse the State and such Paying and Transfer Agent for any tax, fee, or other governmental charge required to be paid with respect to the transaction.

The State and the Paying and Transfer Agent may treat and consider the person in whose name any bond shall be registered upon the registration books as herein provided as the holder and absolute owner thereof, whether such bond shall be overdue or not, for the purpose of receiving payment of the principal thereof, premium, if any, and interest thereon and for all other purposes whatsoever; provided, however, payment of, or on account of, the principal of, premium, if any, and interest on such bond shall be made only to, or upon the order of, such registered owner, and such payment so made shall be valid and effective to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid, and neither the State nor any Paying and Transfer Agent shall be affected by any notice to the contrary.

SECTION 21. If (a) the State shall pay or cause to be paid to the owners of the Series 2017E Bonds the principal and interest to become due thereon at the times and in the manner stipulated therein and herein, (b) all fees and expenses of the Paying and Transfer Agent, if any, shall have been paid, and (c) the State shall have kept, performed and observed all and singular the covenants and promises in the Series 2017E Bonds and in this resolution expressed as to be kept, performed and observed by it or on its part, then the Series 2017E Bonds shall cease to be entitled to any lien, benefit or security under this resolution and shall no longer be deemed to be outstanding hereunder. If the State shall pay or cause to be paid to the owners of outstanding Series 2017E Bonds of a particular maturity, the principal of and interest to become due thereon at the times and in the manner stipulated therein and herein, such Series 2017E Bonds shall cease to be entitled to any lien, benefit or security under this resolution and shall no longer be deemed to be outstanding hereunder.

All Series 2017E Bonds for the payment of which sufficient monies, or, to the extent permitted by the laws of the State, (a) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America or any of its agencies ("Government Obligations"), or (b) certificates of deposit fully secured by Government Obligations, or (c) evidences of ownership of proportionate interests in future interest or principal payments on Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the Government

Obligations and which Government Obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated, or (d) municipal obligations, the payment of the principal of, interest and premium, if any, on which are irrevocably secured by Government Obligations and which Government Obligations are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and have been deposited in an escrow account which is irrevocably pledged to the payment of the principal of and interest and premium, if any, on such municipal obligations (all of which collectively, with Government Obligations, are hereinafter called "Defeasance Securities"), shall have been deposited with an escrow agent appointed for the purpose in trust for the owners thereof, which may be the Paying and Transfer Agent, (whether upon or prior to the maturity or the redemption date of such Series 2017E Bonds) shall be deemed to have been paid within the meaning of this Section, shall cease to be entitled to any lien, benefit or security under this resolution and shall no longer be deemed to be outstanding hereunder and the registered owners shall have no rights in respect thereof except to receive payment of principal of and interest on such Series 2017E Bonds from the funds held for that purpose. Defeasance Securities will be considered sufficient if said investments, with interest, mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due on the Series 2017E Bonds. For the purpose of this Section, Defeasance Securities shall mean and include only (a) such Defeasance Securities which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof or (b) Defeasance Securities which, if subject to redemption shall, nevertheless, in all events, regardless of when redeemed, provide sufficient and timely funds for payment of the principal of and interest on the Series 2017E Bonds to be paid thereby.

SECTION 22. Each Authorized Officer is hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary or advisable in connection with the authorization, sizing, redemption provisions, sale, preparation, execution, issuance, and delivery of the Series 2017E Bonds and as may be necessary to carry out and comply with the provisions of this resolution and the Acts.

SECTION 23. Subject to the provisions of this resolution and the Acts, the Representatives be, and are hereby, authorized (a) to take such actions and to do such things as they shall deem appropriate and lawful to expedite the sale and issuance of the Series 2017E Bonds; (b) to make all final decisions and take all final actions regarding (i) regarding the aggregate principal amount of the Series 2017E Bonds to be sold and issued, (ii) the principal and interest payment dates, (iii) the final maturity date for the Series 2017E Bonds, (iv) the payment and source of payment of the costs of issuance in connection with the Series 2017E Bonds, and (v) the redemption provisions of the Series 2017E Bonds, and (c) to make all final determinations necessary to offer for competitive sale the Series 2017E Bonds and the financing of the Projects, provided that such provisions shall be consistent with the Acts and this resolution.

SECTION 24. The State Treasurer shall keep proper records relating to the sale and issuance of the Series 2017E Bonds hereunder and the amounts received thereon and paid into the State Treasury for the purposes herein provided.

SECTION 25. A certified copy of this resolution shall be filed with the State Treasurer for her information and guidance.

SECTION 26. As authorized by the Acts, the Series 2017E Bonds herein authorized to be issued may as determined by the State Treasurer be submitted to validation in the Chancery Court of Hinds County, Mississippi, First Judicial District, in the manner and with the force and effect provided by Section 31-13-1, *et seq.*, Mississippi Code of 1972, as amended.

SECTION 27. Bond Counsel is hereby authorized to have printed the Series 2017E Bonds and to schedule a closing of the sale of the Series 2017E Bonds at such place and on such date as Bond Counsel and the State Treasurer may select.

SECTION 28. The Representatives are hereby authorized to obtain a bond rating or ratings with regard to the sale of the Series 2017E Bonds, and to execute such documents and to do such other things and take such other actions as may be necessary with regard thereto.

SECTION 29. The Representatives are authorized and directed to publish the Notice of Sale two (2) times in the *Clarion-Ledger*, a newspaper published in and of general circulation in the City of Jackson in the State, the first publication thereof to be made at least ten (10) days preceding the date fixed for the receipt of bids, said Notice of Sale being in substantially the form attached as "Appendix G" to the Preliminary Official Statement.

SECTION 30. All resolutions and orders or parts thereof in conflict herewith are to the extent of such conflict, hereby repealed, and this resolution shall become effective immediately.

Following the reading of the foregoing Resolution and discussion thereof, Deputy Attorney General Mike Lanford made the motion to adopt the foregoing Resolution and Deputy State Treasurer Jessie Graham seconded the motion to adopt the foregoing resolution, and the question being put to a vote, the result was as follows:

Governor Bryant voted:	YES
Deputy Attorney General Lanford voted:	YES
Deputy State Treasurer Graham voted:	YES

The motion having received the affirmative vote of a majority of the members of the Commission present, being a quorum of said Commission, the Governor and Ex-Officio Chairman declared the motion carried and the resolution adopted, this 8th day of November 2017.

EXHIBIT A
PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 28, 2017

OFFICIAL STATEMENT

TWO (2) NEW ISSUES
BOOK-ENTRY ONLY

"RATINGS" - Applied For

In the opinion of Jones Walker LLP, Jackson, Mississippi ("Bond Counsel"), under existing laws, regulations, rulings and judicial decisions, interest on the Series 2017D Bonds (as defined herein) is excludable from gross income for federal tax purposes pursuant to Section 103 of the Code (as defined herein). However, see "TAX MATTERS" for a description of the alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Series 2017D Bonds. Interest on the Series 2017E Bonds (as defined herein) should be treated as includable in gross income of the holders thereof for federal income tax purposes. Bond Counsel is further of the opinion that under existing laws, regulations, rulings and judicial decisions, interest on the Series 2017 Bonds (as defined herein) is exempt from income taxation in the State (as defined herein). See "TAX MATTERS" herein and APPENDIX E - FORMS OF OPINIONS OF BOND COUNSEL attached hereto.

\$52,825,000*
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D (Tax-Exempt)

\$45,225,000*
STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION
BONDS, SERIES 2017E

Dated: Date of Delivery

Due: December 1, as shown on the inside front cover

Interest on the \$52,825,000 State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt) (the "Series 2017D Bonds") will be payable on June 1 and December 1 of each year, commencing December 1, 2018. Interest on the \$45,225,000 State of Mississippi Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds" and together with the Series 2017D Bonds, the "Series 2017 Bonds") will be payable on June 1 and December 1 of each year, commencing December 1, 2018. The State Bond Commission of the State of Mississippi (the "State") has designated the Office of the State Treasurer to serve as paying agent, transfer agent and registrar of the Series 2017 Bonds (in such capacity, the "Paying and Transfer Agent"). The Series 2017 Bonds will be issued as fully registered bonds in the denomination of \$5,000, or any integral multiple thereof, and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Series 2017 Bonds. See "DESCRIPTION OF THE SERIES 2017 BONDS - Book-Entry-Only System" and APPENDIX F.

The Series 2017 Bonds are general obligations of the State and are secured by a pledge of the full faith and credit of the State. If the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017 Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

The Series 2017 Bonds will be subject to optional redemption prior to their respective maturities. See "DESCRIPTION OF THE SERIES 2017 BONDS - "Redemption Provisions of the Series 2017D Bonds" and "Redemption Provisions of the Series 2017E Bonds"

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. PROSPECTIVE INVESTORS MUST READ THIS ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Series 2017 Bonds are offered subject to the final approving opinion of Jones Walker LLP, Jackson, Mississippi, Bond Counsel. Certain legal matters with respect to the State will be passed upon by the State Attorney General, Jim Hood, Esq. Hilltop Securities, Inc., Dallas, Texas, is serving as Financial Advisor to the State in connection with the sale and issuance of the Series 2017 Bonds. It is expected that delivery of the Series 2017 Bonds in definitive form will be made on or about December 21, 2017*

*Preliminary and Subject to Change.

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1)). This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

\$52,825,000*
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

MATURITY SCHEDULE

Maturity (December 1)	Principal Amount	Interest Rate	Yield	CUSIP ¹
2029	\$4,395,000			
2030	5,260,000			
2031	5,475,000			
2032	5,700,000			
2033	5,935,000			
2034	6,175,000			
2035	6,405,000			
2036	6,625,000			
2037	6,855,000			

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by Standard and Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services.

*Preliminary and Subject to Change.

\$45,225,000*
 STATE OF MISSISSIPPI
 TAXABLE GENERAL OBLIGATION BONDS,
 SERIES 2017E

MATURITY SCHEDULE

Maturity (December 1)	Principal Amount	Interest Rate	Yield	CUSIP ¹
2018	2,185,000			
2019	3,725,000			
2020	3,810,000			
2021	3,910,000			
2022	4,015,000			
2023	4,135,000			
2024	4,265,000			
2025	4,400,000			
2026	4,545,000			
2027	4,705,000			
2028	4,870,000			
2029	660,000			

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by Standard and Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services.

*Preliminary and Subject to Change.

STATE OF MISSISSIPPI

STATE BOND COMMISSION

PHIL BRYANT — *Governor, Ex officio Chairman*
JIM HOOD — *Attorney General, Ex officio Secretary*
LYNN FITCH — *State Treasurer, Ex officio Member*

DEPARTMENT OF FINANCE AND ADMINISTRATION

LAURA JACKSON — *Executive Director*
BRIAN PUGH — *Deputy Executive Director*
STEVEN MCDEVITT — *Director, Bond Advisory Division*

OFFICE OF THE ATTORNEY GENERAL

ROMAINE RICHARDS — *Special Assistant Attorney General*

OFFICE OF THE STATE TREASURER

JESSE GRAHAM — *Deputy Treasurer*

BOND COUNSEL

JONES WALKER LLP
Jackson, Mississippi

FINANCIAL ADVISOR

HILLTOP SECURITIES, INC.
Dallas, Texas

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NO DEALER, BROKER, SALES REPRESENTATIVE, OR OTHER PERSON HAS BEEN AUTHORIZED BY THE STATE, THE STATE BOND COMMISSION OF THE STATE, OR THE UNDERWRITERS OR PURCHASERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED HEREIN IN CONNECTION WITH THE OFFERING OF THE SERIES 2017 BONDS AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SERIES 2017 BONDS NOR SHALL THERE BE ANY SALE OF THE SERIES 2017 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER, SOLICITATION, OR SALE. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE STATE AND OTHER SOURCES THAT ARE BELIEVED TO BE RELIABLE. THE INFORMATION SET FORTH HEREIN CONCERNING DTC HAS BEEN FURNISHED BY DTC AND NO REPRESENTATION IS MADE BY THE STATE OR THE UNDERWRITERS OR PURCHASERS AS TO THE ACCURACY OR COMPLETENESS THEREOF. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE STATE SINCE THE DATE HEREOF.

THIS OFFICIAL STATEMENT CONTAINS FORECASTS, PROJECTIONS, AND ESTIMATES THAT ARE BASED ON EXPECTATIONS AND ASSUMPTIONS WHICH EXISTED AT THE TIME SUCH FORECASTS, PROJECTIONS, AND ESTIMATES WERE PREPARED. IN LIGHT OF THE IMPORTANT FACTORS THAT MAY MATERIALLY AFFECT ECONOMIC CONDITIONS IN THE STATE, THE INCLUSION IN THIS OFFICIAL STATEMENT OF SUCH FORECASTS, PROJECTIONS, AND ESTIMATES SHOULD NOT BE REGARDED AS A REPRESENTATION BY THE STATE THAT SUCH FORECASTS, PROJECTIONS, AND ESTIMATES WILL OCCUR. SUCH FORECASTS, PROJECTIONS, AND ESTIMATES ARE NOT INTENDED AS REPRESENTATIONS OF FACT OR GUARANTEES OF RESULTS.

IF AND WHEN INCLUDED IN THIS OFFICIAL STATEMENT, THE WORDS "EXPECTS," "FORECASTS," "PROJECTS," "INTENDS," "ANTICIPATES," "ESTIMATES," AND ANALOGOUS EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS AND ANY SUCH STATEMENTS INHERENTLY ARE SUBJECT TO A VARIETY OF RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE PROJECTED. SUCH RISKS AND UNCERTAINTIES INCLUDE, AMONG OTHERS, GENERAL ECONOMIC AND BUSINESS CONDITIONS, CHANGES IN POLITICAL, SOCIAL, AND ECONOMIC CONDITIONS, REGULATORY INITIATIVES AND COMPLIANCE WITH GOVERNMENTAL REGULATIONS, LITIGATION AND VARIOUS OTHER EVENTS, CONDITIONS, AND CIRCUMSTANCES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE STATE. THESE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS OFFICIAL STATEMENT. THE STATE DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO RELEASE PUBLICLY ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN TO REFLECT ANY CHANGE IN THE STATE'S EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS, OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.

INFORMATION HEREIN HAS BEEN OBTAINED FROM THE STATE, DTC, AND OTHER SOURCES BELIEVED TO BE RELIABLE, BUT THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION IS NOT GUARANTEED BY THE UNDERWRITERS OR PURCHASERS.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS OR PURCHASERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN MARKET PRICES OF THE SERIES 2017 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

EACH UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS A PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS OR THE PURCHASERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

UPON ISSUANCE, THE SERIES 2017 BONDS WILL NOT BE REGISTERED BY THE STATE UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY

OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR THE SERIES 2017 BONDS OFFERED FOR SALE BY THIS OFFICIAL STATEMENT.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY, OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS OFFICIAL STATEMENT ARE FOR CONVENIENCE OF REFERENCE ONLY, AND IN NO WAY DEFINE, LIMIT, OR DESCRIBE THE SCOPE OR INTENT, OR AFFECT THE MEANING OR CONSTRUCTION, OF ANY PROVISION OR SECTIONS OF THIS OFFICIAL STATEMENT. THE OFFERING OF THE SERIES 2017 BONDS IS MADE ONLY BY MEANS OF THIS OFFICIAL STATEMENT.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE I-DEAL PROSPECTUS WEBSITE AT WWW.I-DEALPROSPECTUS.COM. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IS PRINTED IN ITS ENTIRETY FROM SUCH WEBSITE.

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OFFICIAL STATEMENT SUMMARY

THE OFFERING

\$52,825,000*
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

The Issuer	State of Mississippi (the "State").
Issue and Date	\$52,825,000 State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt) (the "Series 2017D Bonds"), dated their date of delivery.
Authority	The Series 2017D Bonds will be issued pursuant to the provisions of the Series 2017D Bonds Act (as defined herein) and the Series 2017D Bonds Resolution (as defined herein).
Purpose	The Series 2017D Bonds are being issued for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, all as more particularly described herein, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds.
Amounts and Maturities	The Series 2017D Bonds will mature on December 1 in the years and amounts as shown on the inside front cover.
Interest Payment Dates	Interest on the Series 2017D Bonds will be payable on June 1 and December 1 of each year, commencing December 1, 2018.
Redemption Provisions	The Series 2017D Bonds will be subject to optional redemption prior to their respective maturities (see "DESCRIPTION OF THE SERIES 2017 BONDS - Redemption Provisions of the Series 2017D Bonds," herein).
Security for Payment	Pursuant to the Series 2017D Bonds Act, the Series 2017D Bonds shall be general obligations of the State and are secured by a pledge of the full faith and credit of the State (see "DESCRIPTION OF THE SERIES 2017 BONDS - Security," herein).
Tax Matters	In the opinion of Bond Counsel (as defined herein), interest on the Series 2017D Bonds is excludable from gross income for federal and State tax purposes. However, see "TAX MATTERS" for a description of the alternative minimum tax on corporations and certain other federal tax consequences of ownership of the Series 2017D Bonds. See "TAX MATTERS," herein.

The above information is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement, including the Appendices.

*Preliminary and Subject to Change.

OFFICIAL STATEMENT SUMMARY

THE OFFERING

\$45,225,000*
 STATE OF MISSISSIPPI
 TAXABLE GENERAL OBLIGATION BONDS,
 SERIES 2017E

The Issuer	State of Mississippi (the "State").
Issue and Date	\$45,225,000 State of Mississippi Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds"), dated their date of delivery.
Authority	The Series 2017E Bonds will be issued pursuant to the provisions of the Series 2017E Bonds Act (as defined herein) and the Series 2017E Bonds Resolution (as defined herein).
Purpose	The Series 2017E Bonds are being issued for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, all as more particularly described herein, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds.
Amounts and Maturities	The Series 2017E Bonds will mature on December 1 in the years and amounts as shown on the inside front cover.
Interest Payment Dates	Interest on the Series 2017E Bonds will be payable on June 1 and December 1 of each year, commencing December 1, 2018.
Redemption Provisions	The Series 2017E Bonds will be subject to optional redemption prior to their respective maturities. See "DESCRIPTION OF THE SERIES 2017 BONDS - Redemption Provisions of the Series 2017E Bonds," herein.
Security for Payment	Pursuant to the Series 2017E Bonds Act, the Series 2017E Bonds shall be general obligations of the State and are secured by a pledge of the full faith and credit of the State (see "DESCRIPTION OF THE SERIES 2017 BONDS - Security," herein).
Tax Matters	INTEREST ON THE SERIES 2017E BONDS SHOULD BE TREATED AS INCLUDABLE IN GROSS INCOME OF THE HOLDERS THEREOF FOR FEDERAL INCOME TAX PURPOSES. In the opinion of Bond Counsel, interest on the Series 2017E Bonds is exempt from all income taxation in the State (see "TAX MATTERS," herein).

The above information is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement, including the Appendices.

*Preliminary and Subject to Change.

STATE MAP TO BE INSERTED

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OFFICIAL STATEMENT

\$52,825,000*
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

\$45,225,000*
STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION BONDS,
SERIES 2017E

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the inside cover and the Appendices herein, is to set forth certain information concerning the State of Mississippi (the "State" or "Mississippi") and the State's \$52,825,000 General Obligation Bonds, Series 2017D (Tax-Exempt) (the "Series 2017D Bonds"), and \$45,225,000 Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds" and together with the Series 2017D Bonds, the "Series 2017 Bonds").

DESCRIPTION OF THE SERIES 2017 BONDS

General

The Series 2017 Bonds will be dated their date of delivery, and will be issued as fully registered bonds in the denominations of \$5,000 or any integral multiples thereof, bearing interest at the rates per annum set forth on the inside front cover, payable June 1 and December 1 of each year, commencing December 1, 2018, and computed on the basis of a 360-day year consisting of twelve, 30-day months. The State Treasurer of the State has been designated by the State Bond Commission of the State (the "Commission") to serve as paying agent, transfer agent and registrar of the Series 2017 Bonds (in such capacity, the "Paying and Transfer Agent"). The Series 2017 Bonds will be general obligations of the State and the full faith and credit of the State shall be pledged as security for the payment of the principal of and the interest on the Series 2017 Bonds.

The Series 2017 Bonds initially will be held in a book-entry-only system administered by The Depository Trust Company, New York, New York ("DTC"). Principal of and interest on the Series 2017 Bonds held in book-entry form shall be payable as described herein under the heading "DESCRIPTION OF THE SERIES 2017 BONDS - Book-Entry-Only System."

The principal of and interest on the Series 2017 Bonds will be payable by the Paying and Transfer Agent to DTC, which will in turn remit such principal and interest to its Direct Participants (as hereinafter defined) and Indirect Participants (as hereinafter defined), which will in turn remit such principal and interest to the Beneficial Owners (as hereinafter defined) of the Series 2017 Bonds. If the date for payment is not a business day, then the payment shall be made on the next succeeding business day with the same force and effect as if made on the payment date. The record date for the payment of interest on the Series 2017 Bonds is the close of business on the date which shall be the 15th day (whether or not a business day) of the calendar month next preceding each interest payment date.

The Series 2017 Bonds will mature December 1 in the years and in the amounts set forth on the inside cover page hereto.

Series 2017D Bonds

The Series 2017D Bonds will be issued pursuant to the provisions of Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; pursuant to the provisions of Section 5 of House Bill 1729 of the 2016 Regular Session of the State Legislature, (the "2016 Mississippi State Fairgrounds Improvement Act"); pursuant to Section 1 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 IHL Capital Improvements Act"); pursuant to Sections 1 and 2 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Capital Improvements Act"); pursuant to Section

14 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Partnership School Construction Act"); pursuant to Section 2 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 Community and Junior Colleges Capital Improvements Act"); pursuant to Section 39-5-145, Mississippi Code of 1972, as amended, including, but not limited to, Sections 24 and 25 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "Mississippi Community Heritage Preservation Grant Act"); pursuant to Section 13 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mississippi Arts and Entertainment Act"); pursuant to Section 33 of House Bill 787 of the 2014 Regular Session of the State Legislature (the "2014 City of Madison I-55 Connector Construction Act"); pursuant to Section 31 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 City of Terry Historic Preservation Act"); pursuant to Section 47 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mount Olive Park Improvements Act"); pursuant to Section 74 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Natchez Seminary Repair and Renovation Act") (collectively, the "Series 2017D Bonds Act") and a resolution adopted by the Commission on November 8, 2017 (the "Series 2017D Bonds Resolution") for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds, all as authorized under the Series 2017D Bonds Act and the Series 2017D Bonds Resolution.

Series 2017E Bonds

The Series 2017E Bonds will be issued pursuant to Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; the Mississippi Major Economic Impact Act and Section 34 of Senate Bill 2913, of the 2013 Regular Session of the State Legislature, and Section 18 of House Bill 1729 of the 2016 Regular Session of the State Legislature; Section 57-1-16, Mississippi Code of 1972, as amended, including, but not limited to, Section 22 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (collectively, the "ACE Act"); Section 57-1-701, Mississippi Code of 1972, as amended, including, but not limited to, Sections 1 and 2 of Senate Bill 3033 of the 2017 Regular Session of the State Legislature (collectively, the "Mississippi Site Development Grant Act"); and, Section 57-61-36, Mississippi Code of 1972, as amended, including, but not limited to, Section 11 of House Bill 787, 2014 Regular Session of the State Legislature (collectively, the "Development Infrastructure Grant Act") (collectively, the "Series 2017E Bonds Act"); and a resolution adopted by the Commission on November 8, 2017 (the "Series 2017E Bonds Resolution" and together with the Series 2017D Bonds Resolution, the "Resolutions"), for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized under the Series 2017E Bonds Act and the Series 2017E Bonds Resolution.

The Series 2017D Bonds Act and the Series 2017E Bonds Act are referred to together as the "Act."

Security

The Series 2017 Bonds will be general obligations of the State, and for the payment thereof, the full faith and credit of the State shall be irrevocably pledged. The Act provides that if the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017 Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

The qualified electors of the State voted in a general election held on November 7, 1995, to amend the Mississippi Constitution of 1890 (the "Constitution") to add the following new Section 172A (the "Amendment"):

SECTION 172A. Neither the Supreme Court nor any inferior court of this state shall have the power to instruct or order the state or any political subdivision thereof, or an official of the state or any political subdivision, to levy or increase taxes.

The Amendment does not affect the State's underlying obligation to pay the principal of and interest on the Series 2017 Bonds as they mature and become due nor does it affect the State's obligation to levy a tax sufficient to accomplish that purpose. However, even though it appears that the Amendment was not intended to affect bondholders' remedies in the event of a payment default, the Amendment potentially prevents bondholders from obtaining a writ of mandamus to compel the levying of taxes to pay the principal of and interest on the Series 2017 Bonds in a State court. It is not certain whether the Amendment would affect the right of a federal court to direct the levy of a tax to satisfy a contractual obligation. Other effective remedies are available to the bondholders in the event of a payment default with respect to the Series 2017 Bonds.

Redemption Provisions of the Series 2017D Bonds

Optional Redemption. The Series 2017D Bonds maturing after December 1, 2027, will be subject to optional redemption prior to their respective maturities on or after December 1, 2027, either in whole or in part on any date (as selected by the State among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium.

Redemption Provisions of the Series 2017E Bonds

Optional Redemption. The Series 2017E Bonds maturing after December 1, 2027, will be subject to optional redemption prior to their respective maturities on or after December 1, 2027, either in whole or in part on any date (as selected by the State among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium.

Selection of Series 2017 Bonds to be Redeemed

Held in Book-Entry Only System. If less than all of the Series 2017 Bonds shall be called for redemption, the State shall notify DTC that the redemption shall be by lot in whole multiples of \$5,000. While DTC is the registered owner of the Series 2017 Bonds, partial redemptions (including any sinking fund payments) of the Series 2017 Bonds of a particular maturity will be determined in accordance with DTC's procedures as in effect at the time of any such partial redemption.

Not Held in Book-Entry Only System. If less than all of the Series 2017 Bonds subject to redemption are called for redemption, the Paying and Transfer Agent shall select the Series 2017 Bonds to be redeemed from the outstanding Series 2017 Bonds subject to redemption and not previously called for redemption, by lot in any manner deemed reasonable by the Paying and Transfer Agent, provided that the unredeemed portion of the principal amount of any Series 2017 Bond shall be not less than \$5,000.

Notice of Redemption

Notice of the call for any redemption (which may be a conditional notice), identifying the Series 2017 Bonds (or any portions thereof in authorized denominations) to be redeemed, will be given by the State at least 30 days but not more than 45 days prior to the date fixed for redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Series 2017 Bond to be redeemed at the address shown on the records of the Paying and Transfer Agent. Failure to mail such notice to any particular owner of Series 2017 Bonds, or any defect in the notice mailed to any such owner of Series 2017 Bonds, will not affect the validity of any proceeding for the redemption of any other Series 2017 Bonds. So long as DTC or its nominee is the registered owner of the Series 2017 Bonds, notice of the call for any redemption will be given to DTC, and not directly to Beneficial Owners. See the caption, "DESCRIPTION OF THE SERIES 2017 BONDS -- Book-Entry-Only System" and APPENDIX F - BOOK-ENTRY-ONLY SYSTEM.

Defeasance

Under the Resolutions, all Series 2017 Bonds for the payment of which sufficient moneys or, to the extent permitted by the laws of the State, (a) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America or any of its agencies ("Government Obligations"), or (b) certificates of deposit fully secured by Government Obligations, or (c) evidences of ownership of proportionate interests in future interest or principal payments on Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the Government Obligations and which Government Obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated, or (d) municipal obligations, the payment of the principal of, interest and redemption premium, if any, on which are irrevocably secured by Government Obligations and which Government Obligations are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and have been deposited in an escrow account which is irrevocably pledged to the payment of the principal of and interest and redemption premium, if any, on such municipal obligations (all of which collectively, with Government Obligations, "Defeasance Securities"), shall have been deposited with an escrow agent appointed for such purpose, which may be the Paying

and Transfer Agent, all to the extent provided in the Resolutions, shall be deemed to have been paid, shall cease to be entitled to any lien, benefit or security under the Resolutions and shall no longer be deemed to be outstanding thereunder, and the registered owners shall have no rights in respect thereof except to receive payment of the principal of, premium, if any, and interest on such Series 2017 Bonds from the funds held for that purpose. Defeasance Securities shall be considered sufficient under the Resolutions if said investments, with interest, mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal and premium, if any, when due on such Series 2017 Bonds.

Registration

Series 2017 Bonds Subject to the Book-Entry-Only System. For so long as DTC acts as securities depository for the Series 2017 Bonds, the registration and transfer of ownership interests in Series 2017 Bonds shall be accomplished by book entries made by DTC and the Direct Participants and, where appropriate, the Indirect Participants, as described herein under the heading "DESCRIPTION OF THE SERIES 2017 BONDS-Book-Entry-Only System."

Series 2017 Bonds Not Subject to Book-Entry-Only System. Should the Series 2017 Bonds no longer be held in book-entry form, each Series 2017 Bond shall be thereafter evidenced by a bond certificate in fully registered form and transferable only upon the registration records of the State maintained by the Paying and Transfer Agent, by the registered owner thereof or by such registered owner's attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent, duly executed by the registered owner or such registered owner's duly authorized attorney. Upon the transfer of any Series 2017 Bond, the State shall issue, in the name of the transferee, a new Series 2017 Bond or Series 2017 Bonds of the same interest rate and maturity of like tenor and effect in any authorized denomination equal to the unpaid principal amount of the surrendered Series 2017 Bond.

Series 2017 Bonds, upon surrender thereof at the Office of the State Treasurer with a written instrument of transfer satisfactory to the Paying and Transfer Agent duly executed by the registered owner or such registered owner's duly authorized attorney, may be exchanged for a principal amount of Series 2017 Bonds of the same interest rate and maturity and of like tenor and effect in any authorized denomination equal to the unpaid principal amount of the surrendered Series 2017 Bonds. The Paying and Transfer Agent will not be required to register the transfer of or exchange any Series 2017 Bond after the mailing of notice calling such Series 2017 Bond for redemption has been given as provided in the Resolutions, nor during the period of 15 days next preceding the giving of such notice of redemption.

Book-Entry-Only System

The State has determined that it will be beneficial to have the Series 2017 Bonds held by a central depository system and to have transfers of the Series 2017 Bonds handled by a book-entry system on the records of DTC. Unless and until the book-entry-only system has been discontinued, the Series 2017 Bonds will be available only in book-entry form in principal amounts of \$5,000 or any integral multiple thereof. DTC will initially act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Series 2017 Bond will be issued for each maturity of the Series 2017 Bonds, and will be deposited with DTC. See APPENDIX F - BOOK-ENTRY-ONLY SYSTEM, for a detailed discussion of the book-entry-only system and DTC.

In the event the book-entry-only system is discontinued, principal and interest on the Series 2017 Bonds will be payable by check or draft of the Paying and Transfer Agent as described under the heading "DESCRIPTION OF THE SERIES 2017 BONDS - Registration."

DESCRIPTION OF THE PROJECTS

Series 2017D Projects

The Series 2017D Bonds are being issued under and pursuant to the Series 2017D Bonds Act and the Series 2017D Bonds Resolution for the purpose of providing funds to finance various capital improvements including, but not limited to, capital projects for institutions of higher learning and community and junior colleges in the State, road and bridge projects in the State, capital improvements to the State fairgrounds, an arts and entertainment center owned by the State and located in the State, grants for capital projects throughout the State, and various grant programs of the State (collectively, the "Series 2017D Projects"), and to pay the costs incident to the sale and issuance of the Series 2017D Bonds.

Series 2017E Projects

The Series 2017E Bonds are being issued under and pursuant to the Series 2017E Bonds Act and the Series 2017E Bonds Resolution for the purpose of providing funds to finance various economic development loans, grants, and programs of the State and various capital improvement projects within the State, including, but not limited to: an economic development project for Continental Tire The Americas, LLC; various capital improvement projects or studies related to military installations in the State; funding for the State's various grant programs for local economic development entities, the State's various grant programs for qualified small municipalities and counties; and funding for additional grants and grant programs for projects throughout the State (collectively, the "Series 2017E Projects"), and to pay the costs incident to the sale and issuance of the Series 2017E Bonds.

The Projects

Together, the Series 2017D Projects and the Series 2017E Projects are referred to as the "Projects."

SOURCES AND USES OF FUNDS

	Series 2017D Bonds	Series 2017E Bonds
The following is a summary of the		
Par Amount	\$52,825,000.00	\$ 45,225,000.00
Plus Original Issue Premium		
Total Sources		
Uses		
For Costs of the Projects		
For Costs of Issuance ¹		
Total Uses		

¹ Includes, among other expenses, underwriters' discount, rating agency fees, and financial advisor and legal fees. Payment of such fees is contingent upon the issuance of the Series 2017 Bonds.

DEBT STRUCTURE AND CHARACTERISTICS

General

All debt of the State must be authorized by legislation governing the specific programs or projects to be financed. In most instances, such legislation provides the Commission authority to approve and authorize the sale and issuance of State debt. The Commission is comprised of the Governor as Ex officio Chairman, the Attorney General as Ex officio Secretary and the State Treasurer as an Ex officio Member.

Short-Term Indebtedness

The Commission, acting on behalf of the State, is authorized to issue in any given fiscal year general obligation short-term notes in an amount not to exceed 7.5% of the total appropriation made by the Legislature in such fiscal year. Such short-term notes may be issued for the purpose of offsetting any temporary cash flow deficiencies in the State's General Fund and to maintain a working balance therein. The State has never issued tax anticipation notes.

The Commission also has the authority to establish lines of credit or issue short-term notes to provide temporary financing for certain projects for which the Commission is otherwise authorized to issue bonds. No such line of credit is presently outstanding. In July 2016, the State issued its \$80,000,000 Taxable General Obligation Note, Series 2016A (the "Series 2016A Note") to provide temporary financing for a portion of the costs of a project for Continental Tire The Americas, LLC, to be located in Hinds County, Mississippi. There is currently approximately \$40,000,000 outstanding under the Series 2016A Note as of October 27, 2017. The Series 2016A Note matures July 7, 2018. The State plans to refinance a portion of the Series 2016A Note with the proceeds of the Series 2017 Bonds.

Long-Term Indebtedness

The State's long-term indebtedness is composed of general obligation bonds and revenue bonds issued to finance specific programs and projects. As used in this Official Statement, the terms Gross Debt, Gross Direct Debt and Net Direct Debt are part of the State's long-term debt and have the following meanings.

"Gross Debt" means all bonded debt of the State, both general obligation bonds and revenue bonds.

"Gross Direct Debt" means only bonded debt of the State to which the full faith, credit and taxing power of the State is pledged.

"Net Direct Debt" means that amount of Gross Direct Debt, which is serviced only by appropriations from the State's General Fund or by specific sources of revenue, which would otherwise accrue to the State's General Fund except for the servicing of such debt.

The following table summarizes the outstanding principal amount of debt of the State.

**STATE OF MISSISSIPPI
LONG TERM INDEBTEDNESS
as of September 1, 2017**

State of Mississippi Bonds		
General Obligation Bonds Payable from General Fund or		
General Fund Revenues		\$4,107,975,000
Self-Supporting General Obligation Bonds		0
Revenue Bonds		<u>196,595,000</u>
GROSS DEBT		\$4,304,570,000
	DEDUCTIONS:	
Revenue Bonds		<u>\$ 196,595,000</u>
Subtotal		<u>196,595,000</u>
GROSS DIRECT DEBT		\$4,107,975,000
Self-Supporting General Obligation Bonds		0
Subtotal		<u>4,107,975,000</u>
NET DIRECT DEBT		<u>\$4,107,975,000</u>

Source: Mississippi Treasury Department and the Department of Finance and Administration.

Outstanding Long Term Indebtedness

The following table shows a recent historical summary of the outstanding long term indebtedness of the State.

HISTORICAL SUMMARY OF OUTSTANDING LONG TERM INDEBTEDNESS

As of July 1	Gross Debt	Revenue Bond Debt	Gross Direct Debt	Self-Supporting General Obligation Debt	General Net Direct Debt
2005	\$3,066,040,000	\$91,995,000	\$2,974,045,000	\$39,955,000	\$2,934,090,000
2006	3,094,325,000	70,320,000	3,024,005,000	36,605,000	2,987,400,000
2007	3,140,150,000	47,880,000	3,092,270,000	34,070,000	3,058,200,000
2008	3,365,750,000	24,460,000	3,341,290,000	31,435,000	3,309,855,000
2009	3,426,630,000	0	3,426,630,000	3,790,000	3,422,840,000
2010	3,480,067,000	0	3,480,067,000	2,885,000	3,477,182,000
2011	3,780,490,000	0	3,780,490,000	1,955,000	3,778,535,000
2012	4,131,465,000	0	4,131,465,000	995,000	4,130,470,000
2013	4,065,890,000	0	4,065,890,000	0	4,065,890,000
2014	4,142,675,000	0	4,142,675,000	0	4,142,675,000
2015	4,176,700,000	0	4,176,700,000	0	4,176,700,000
2016	4,379,240,000	200,000,000	4,179,240,000	0	4,179,240,000
2017	4,310,610,000	196,595,000	4,114,015,000	0	4,114,015,000

Source: Mississippi Treasury Department and the Department of Finance and Administration.

**GENERAL FUND DEBT SERVICE
AS A PERCENTAGE OF GENERAL FUND REVENUES⁽¹⁾**

Fiscal Year Ended	General Fund Revenues	General Fund Debt Service	General Obligation Debt Service as a Percent of Revenues
2005	\$3,930,938,591	\$207,175,252	5.27%
2006	4,332,615,923	331,458,388	7.65
2007	4,789,398,828	212,707,963 ⁽²⁾	4.44
2008	4,936,591,193	289,547,871	5.86
2009	4,729,998,664	289,547,871	6.12
2010	4,453,337,142	347,187,030	7.80
2011	4,580,238,231	360,834,668	7.88
2012	4,850,552,501	369,045,642	7.61
2013	5,083,326,217	376,367,667	7.40
2014	5,332,732,585	375,860,167	7.05
2015	5,486,482,394	385,628,277	7.03
2016	5,450,753,169	392,741,392	7.21
2017	5,548,357,844	392,741,392	7.08

⁽¹⁾ Represents all debt service paid from the State's General Fund for the years provided.

⁽²⁾ During fiscal year 2007, \$100 million of debt service normally funded through General Fund appropriation was funded by the proceeds from the issuance of Gulf Tax Credit Bonds in October 2006.

Source: Mississippi Treasury Department and the Department of Finance and Administration.

Long Term Debt Ratios

The following table presents the State's long term debt ratios as of September 1, 2017.

As of September 1, 2017	Amount	Debt Per Capita ⁽¹⁾	Debt to Assessed Val uation ⁽²⁾	Debt to Estimated Full Valuat ion ⁽³⁾	Debt to Personal Inc ome ⁽⁴⁾
Gross Debt	\$4,304,570,000	\$1,440.27	26.25%	3.25%	4.06%
Direct Debt	\$4,107,975,000	\$1,374.49	25.05%	3.10%	3.87%

⁽¹⁾ Based on 2016 estimated population of 2,988,726. Source: U.S. Department of Commerce, Bureau of the Census. <https://www.census.gov/quickfacts/MS>.

⁽²⁾ Based on calendar year 2015 assessed valuation of \$16,399,806,931 (Real Property tax roll). Source: Mississippi Department of Revenue, Annual Report FY Ending June 30, 2016.

⁽³⁾ Based on 2015 full valuation of \$132,354,004,254 (Real Property tax roll). Source: Mississippi Department of Revenue, Annual Report FY Ending June 30, 2016.

⁽⁴⁾ Based on 2016 estimated total personal income of \$106,052,785,000 (not adjusted for inflation). Source: U.S. Department of Commerce, Bureau of Economic Analysis, www.bea.gov/regional/bearfacts.

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The following table presents the recent history of the State's bonded indebtedness as of July 1 of each year.

**HISTORICAL GENERAL OBLIGATION BONDED DEBT
OUTSTANDING AND DEBT RATIOS SINCE 2008⁽¹⁾**

As of July 1	Outstanding	Debt Per Capita	Debt to Assessed Valuation	Debt to Estimated Full Valuation	Debt to Personal Income
2017					
Gross Debt	\$4,310,610,000	\$1,442.29	26.28%	3.26%	4.06%
Net Direct Debt	4,114,015,000	1,376.51	25.09	3.11	3.88
2016					
Gross Debt	4,379,240,000	1,463.49	27.00	3.35	4.20
Net Direct Debt	4,179,240,000	1,396.65	25.77	3.20	4.02
2015					
Gross Debt	4,176,700,000	1,394.99	26.26	3.25	4.07
Net Direct Debt	4,176,700,000	1,394.99	26.26	3.25	4.07
2014					
Gross Debt	4,142,675,000	1,384.95	26.04	3.22	4.08
Net Direct Debt	4,142,675,000	1,384.95	26.04	3.22	4.08
2013					
Gross Debt	4,055,890,000	1,366.86	25.89	3.25	4.04
Net Direct Debt	4,055,890,000	1,366.86	25.89	3.25	4.04
2012					
Gross Debt	4,131,465,000	1,392.33	26.38	3.31	4.31
Net Direct Debt	4,130,470,000	1,383.78	26.37	3.31	4.31
2011					
Gross Debt	3,780,490,000	1,274.05	24.89	3.10	4.09
Net Direct Debt	3,778,535,000	1,273.39	24.88	3.10	4.08
2010					
Gross Debt	3,480,067,000	1,223.22	40.60	5.02	5.85
Net Direct Debt	3,477,182,000	1,222.21	40.57	5.01	5.84
2009					
Gross Debt	3,426,630,000	1,204.44	39.98	4.94	5.76
Net Direct Debt	3,422,840,000	1,203.11	39.93	4.94	5.76
2008					
Gross Debt	3,365,750,000	1,183.04	39.27	4.86	5.66
Net Direct Debt	3,309,855,000	1,163.39	38.61	4.78	5.57

⁽¹⁾ 2008 through 2010 debt per capita, debt to assessed valuation, debt to estimated full valuation and debt to personal income information was based on the Census data from 2000, subsequent years based on the Census data from 2010. Source: U.S. Department of Commerce, Bureau of the Census. www.census.gov

Source: Mississippi Department of Revenue and the Department of Finance and Administration

Lease Purchase Agreements

Pursuant to the authority granted the State by Section 31-7-10, Mississippi Code of 1972, as amended and supplemented (the "Lease Purchase Act"), the Department of Finance and Administration has entered into a master lease purchase agreement to finance new personal property leased by various agencies, boards, departments and commissions of the State (the "Agency Leases"). The Agency Leases require the State to make periodic payments of rent sufficient to pay the principal and interest due thereunder. The lease payments are subject to annual appropriation and are not a full faith and credit obligation of the State. The Commission has authorized the State, through the Department of Finance and Administration, to enter into Agency Leases in an amount not to exceed \$65,000,000 to be outstanding at any one time. There was an outstanding balance under the Agency Leases at October 31, 2017 of \$14,995,597.52.

Under the Lease Purchase Act, the Department of Finance and Administration is also authorized to enter into lease purchase agreements (the "School Leases" and "Community College Leases") to finance personal property to be subleased by school districts and community colleges in the State (the "Subleases"). The School Leases require the State to make periodic payments of rent sufficient to pay the principal and interest due thereunder (the "Lease Payments"). The Subleases require the school districts and community colleges to make payments to the State sufficient to make the Lease Payments. The Lease Payments are subject to annual appropriation and are not a full faith and credit obligation of the State. The Commission has authorized the State, through the Department of Finance and Administration, to enter into School Leases and Community College Leases in an amount not to exceed \$50,000,000 to be outstanding at any one time. There was an

outstanding balance under the School Leases at October 31, 2017, of \$7,879,411.72 and an outstanding balance under the Community College Leases at October 31, 2017, of \$62,460.39.

Certificates of Participation

Sections 47-5-1201 *et seq.*, Mississippi Code of 1972, as amended and supplemented, created the State Prison Emergency Construction and Management Board (the "SPECM Board") for the purpose of expediting the contracting and construction of public and private prison facilities in the State and the removal of State inmates from county jails. The SPECM Board entered into a Lease and Option to Purchase by and between the Marshall County Correctional Facilities Financing Corporation (the "Marshall County Lease"), as lessor, and the State, as lessee, in the original principal amount of \$24,215,000, on June 1, 1995 to finance the construction and equipping of a 1,000-bed correctional facility to be located in Marshall County. In connection with the refunding of the then outstanding amounts under the Marshall County Lease, the Marshall County Lease has been amended and restated and assigned to secure the payment of the \$18,575,000 Mississippi Development Bank Special Taxable Obligation Bonds, Series 2010A (MDOC - Marshall County Correctional Facility Refunding Bonds Project), dated May 21, 2010. The Marshall County Lease currently expires on August 1, 2018 and the current outstanding amount under the Marshall County Lease is \$2,815,000.

Section 47-5-941 of the Mississippi Code of 1972, as amended and supplemented, authorizes the Wilkinson County Industrial Development Authority (the "Wilkinson Authority") to contract with the Mississippi Department of Corrections ("MDOC"), acting for and on behalf of the State, for the private incarceration of inmates of the State. The Wilkinson Authority entered into a Lease-Purchase Agreement, dated as of December 1, 1996, with MDOC (the "Wilkinson County Lease") in the original principal amount of \$31,435,000 to finance the construction of a 500-bed correctional facility to be located in Wilkinson County, which facility presently has 1,000 beds as a result of a subsequent expansion. In connection with the refunding of the then outstanding amounts under the Wilkinson County Lease, the Wilkinson County Lease has been amended and restated and assigned to secure the payment of the \$20,100,000 Mississippi Development Bank Special Taxable Obligation Bonds, Series 2010B (MDOC - Wilkinson County Correctional Facility Refunding Bonds Project), dated May 21, 2010. The Wilkinson County Lease currently expires on August 1, 2021 and the current outstanding amount under the Wilkinson County Lease is \$20,100,000.

House Bill 1719, Local and Private Laws of the 1996 Regular Session of the Mississippi Legislature authorized the Board of Supervisors of Lauderdale County, Mississippi to create the East Mississippi Correctional Facility Authority (the "East Mississippi Authority") for the purpose of contracting with MDOC for the private incarceration of inmates of the State. The East Mississippi Authority entered into a Lease-Purchase Agreement, dated as of December 15, 1997, with MDOC (the "East Mississippi Lease") in the original principal amount of \$34,520,000 to finance the construction of a 500-cell correctional facility to be located in Lauderdale County. In 2007, the East Mississippi Lease was amended to cover a 500-cell expansion of the facility and additional bonds were issued in the principal amount of \$39,000,000 to finance such expansion. In connection with the refunding of the then outstanding amounts under the East Mississippi Lease, the East Mississippi Lease has been amended and restated and assigned to secure the payment of the (a) \$68,830,000 (original aggregate principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2010D (MDOC - East Mississippi Correctional Facility Refunding Bonds Project), dated July 20, 2010 and currently outstanding in the amount of \$19,130,000, (b) \$26,685,000 (original aggregate principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2016C (Mississippi Department of Corrections East Mississippi Correctional Facility Refunding Bond Project), dated July 29, 2016 and currently outstanding in the amount of \$26,685,000, and (c) \$20,340,000 (original aggregate principal amount) Mississippi Development Bank Taxable Special Obligation Bonds, Series 2016D (Mississippi Department of Corrections East Mississippi Correctional Facility Refunding Bond Project), dated July 29, 2016 and currently outstanding in the amount of \$19,980,000. The East Mississippi Lease currently expires on August 1, 2027.

House Bill 1878, Local and Private Laws of the 1998 Regular Session of the Mississippi Legislature authorized the Town of Walnut Grove to create the Walnut Grove Correctional Authority (the "Walnut Grove Authority") for the purpose of contracting with MDOC for the private incarceration of inmates of the State. The Walnut Grove Authority entered into a Lease-Purchase Agreement, dated as of November 1, 1999, with MDOC (the "Walnut Grove Lease") in the original principal amount of \$41,420,000 to finance the construction of a 1000-bed correctional facility (the "Walnut Grove Facility") to be located in the Town of Walnut Grove. In 2007, the Walnut Grove Lease was amended to cover a 500 cell expansion of the Walnut Grove Facility and additional bonds were issued in the principal amount of \$40,000,000 to finance such expansion. In connection with the refunding of the outstanding amounts under the Walnut Grove Lease, the Walnut Grove Lease has been amended and restated and assigned to secure the payment of the (a) \$93,580,000 (original aggregate principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2010C (Mississippi Department of

Corrections Walnut Grove Correctional Facility Refunding Bonds Project), dated July 20, 2010 and currently outstanding in the amount of \$27,560,000, (b) \$34,995,000 (original aggregate principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2016A (Mississippi Department of Corrections Walnut Grove Correctional Facility Refunding Project), dated July 29, 2016 and currently outstanding in the amount of \$34,995,000, and (c) \$26,235,000 (original aggregate principal amount) Mississippi Development Bank Taxable Special Obligation Bonds, Series 2016B (Mississippi Department of Corrections Walnut Grove Correctional Facility Refunding Project), dated July 29, 2016 and currently outstanding in the amount of \$25,760,000. The Walnut Grove Lease currently expires on August 1, 2027. On June 10, 2016, MDOC notified the Walnut Grove Authority of the termination of the residential services agreement between MDOC and the Walnut Grove Authority providing for the housing of inmates at the Walnut Grove Facility, effective on September 15, 2016. MDOC ceased housing inmates at the Walnut Grove Facility on September 15, 2016 and such facility was shut down. The closure of the Walnut Grove Facility did not terminate the Walnut Grove Lease or the obligation of the State to make rental payments under the Walnut Grove Lease.

The obligations of the State to make rental payments under the Marshall County Lease, the Wilkinson County Lease, the East Mississippi Lease, and the Walnut Grove Lease are subject to annual appropriation and do not constitute general obligations or a pledge of the full faith and credit of the State or any political subdivision or agency thereof within the meaning of any constitutional or statutory provision or limitation.

Debt Limitation

Section 115, Paragraph 2 of the Mississippi Constitution of 1890 provides:

"Neither the State nor any of its direct agencies, excluding the political subdivisions and other local districts, shall incur a bonded indebtedness in excess of one and one-half (1½) times the sum of all the revenue collected by it for all purposes during any one of the preceding four fiscal years, whichever year might be higher."

In accordance with current practice and interpretation, revenues included in the foregoing debt limitation are restricted to the following General Fund revenues and Special Fund receipts: taxes; license fees and permits; investment income and rents; service charges, including net income from the Alcoholic Beverage Control Division; and fines, forfeitures and penalties. As of September 1, 2017, the State's Gross Debt was \$4,304,570,000. The following table shows the State's constitutional debt limit for the previous eleven years and forecasts the State's constitutional debt limit for fiscal year 2018 and the next three fiscal years.

Fiscal Year Ending June 30	Revenues ⁽¹⁾	Constitutional Debt Limit	Outstanding Gross Debt
2007	\$8,006,244,243	\$10,930,261,350	\$3,100,385,000
2008	8,300,739,453	12,009,366,365	3,374,135,000
2009	7,960,861,536	12,451,109,180	3,435,285,000
2010	7,698,390,482	12,451,109,180	3,472,137,000
2011	7,956,269,318	12,451,109,180	3,769,280,000
2012	8,336,735,857	12,451,109,180	4,139,025,000
2013	8,549,281,153	12,505,103,786	4,063,805,000
2014	8,874,795,859	12,823,921,730	4,150,775,000
2015	8,647,704,125	13,312,193,788	4,185,105,000
2016	8,706,340,254	13,312,193,788	4,388,070,000
2017 ⁽³⁾	8,607,236,231	13,312,193,788	4,337,765,000
2018 ⁽²⁾	8,693,308,594	13,312,193,788	--
2019 ⁽²⁾	8,780,241,680	13,059,510,381	--
2020 ⁽²⁾	8,868,044,096	13,170,362,519	--
2021 ⁽²⁾	8,956,724,537	13,302,066,145	--

⁽¹⁾ Figures represent budgetary basis of revenues.

⁽²⁾ Assumes a 1.0% growth in Revenue

⁽³⁾ Revenues are preliminary and have not been audited.

Source: Department of Finance and Administration.

Annual Debt Service Requirements on Net Direct General Obligation Bonded Debt

The following table shows the annual debt service requirements on the State's Net Direct Debt as of June 30, 2017.

Fiscal Year Ending June 30	Principal ⁽¹⁾⁽²⁾	Interest ⁽¹⁾⁽²⁾	Total Annual Debt Service ⁽¹⁾⁽²⁾
2018	243,655,000	175,613,789	419,268,789
2019	276,935,000	166,089,026	443,024,026
2020	246,200,000	156,344,004	402,544,004
2021	382,085,000	143,348,910	524,433,910
2022	222,670,000	130,518,185	353,188,185
2023	217,105,000	122,020,887	339,125,887
2024	206,080,000	113,784,478	319,864,478
2025	198,880,000	105,427,333	304,307,333
2026	206,970,000	96,606,420	303,576,420
2027	193,920,000	87,467,807	281,387,807
2028	192,985,000	78,117,726	271,102,726
2029	178,790,000	68,845,304	247,635,304
2030	180,155,000	59,928,708	240,083,708
2031	165,115,000	51,639,130	216,754,130
2032	213,840,000	42,972,606	256,812,606
2033	204,635,000	33,381,297	238,016,297
2034	201,070,000	23,574,529	224,644,529
2035	183,580,000	13,963,701	197,543,701
2036	144,535,000	6,095,751	150,630,751
2037	65,265,000	1,408,250	66,673,250
	<u>\$4,124,470,000</u>	<u>\$1,676,147,842</u>	<u>\$5,800,617,842</u>

⁽¹⁾ Does not include the effect of the Series 2017D Bonds and the Series 2017E Bonds.

⁽²⁾ These amounts do not include any subsidy payments due to the State from the United States Treasury pursuant to and in accordance with Section 1531 of the Title 1 of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5, 123 Stat. 115 (2009)) (the "Recovery and Reinvestment Act") and Sections 54AA(g) and 6431 of the Code. Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, refund payments to certain state and local government filers claiming refundable credits under Section 6431 of the Code applicable to certain qualified bonds are subject to sequestration. The IRS Office of Tax Exempt Bonds (TEB) has announced that the sequester reduction percentage for payments to issuers of direct pay bonds for FY 2019 will be 6.6%. The reduction rate will be applied unless and until a law is enacted that cancels or otherwise impacts the sequester, at which time the sequestration reduction rate is subject to change. The State has made arrangements to pay the additional debt service on bonds issued under the Recovery and Reinvestment Act.

Source: Mississippi Treasury Department and the Department of Finance and Administration.

Revenue Bonds

On October 22, 2015 the State issued its \$200,000,000 Gaming Tax Revenue Bonds, Series 2015E (the "Series 2015E Bonds") to provide funds to the State to finance the costs of the repair, rehabilitation, replacement, construction and/or reconstruction of State maintained bridges within the State. The Series 2015E Bonds are limited obligations of the State and payable from all or a portion of the Dedicated Gaming Tax Revenue (which is defined for purposes of the Series 2015E Bonds as the first \$3,000,000.00 of all taxes, fees, interest, penalties, damages, fines or other monies collected monthly by the Mississippi Department of Revenue in accordance with Section 75-76-177(c), Mississippi Code (1972), as amended, in connection with all gaming operations in the State). The full faith and credit of the State is not pledged for the repayment of the Series 2015E Bonds.

Moral Obligation Bonds

The Mississippi Development Bank (the "Development Bank"), a body corporate and politic of the State, issues various series of Mississippi Development Bank Special Obligation Bonds (the "Development Bank Bonds") which may carry a pledge of the moral obligation of the State. The Development Bank Bonds are issued pursuant to the terms and provisions of Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented (the "Bank Act"), to provide financing for governmental projects of political subdivisions of the

State. The Bank Act provides that, in order to assure the maintenance of the debt service reserve requirement in a debt service reserve fund for certain Development Bank Bonds carrying the moral obligation pledge of the State, the Legislature of the State may, but is not obligated to, appropriate to the Development Bank for deposit in any such debt service reserve fund such sum as necessary to restore such debt service reserve fund to the debt service reserve requirement. As required by the Bank Act, any such amount must be certified by the Development Bank on or before January 1 of any year to the Governor of the State and then as required by the Bank Act transmitted by a request from the Governor to the Legislature of the State.

Nothing in these provisions or any other provision of the Bank Act creates a debt or liability of the State to make any payments or appropriations to or for the use of the Development Bank or in connection with any Development Bank Bonds. There is no assurance under the Bank Act (a) that the request by the Governor transmitted to the Legislature of the State, stating the amount of a deficiency in any debt service reserve fund, would be taken up for consideration by the Legislature of the State, (b) that upon consideration of any such request, the Legislature would determine to appropriate funds to reduce or eliminate such deficiency, or (c) that in the event the Legislature determined to make such an appropriation, the amounts thus appropriated would be forthcoming as of any particular date. As of the date hereof, no such request has been made by the Development Bank to fund any debt service reserve fund on Development Bank Bonds carrying the State's moral obligation pledge.

As of September 1, 2017, the Development Bank Bonds outstanding carrying a moral obligation pledge of the State totaled \$366,350,000. Except for these Development Bank Bonds, no bonds of the State are outstanding as of the date of this Official Statement which carry a pledge of the moral obligation of the State or which contemplate the appropriation by the Legislature of any amount as may be necessary to make up any deficiency in any debt service reserve fund in connection with indebtedness issued by or on behalf of a political subdivision of the State.

Record of No Default

Except as set forth below, there has been no default on general obligations of the State as to payment of either principal or interest during the last 100 years.

On May 3, 2017, the State gave notice of the optional call, on June 5, 2017, of \$75,000 principal amount of its State of Mississippi General Obligation Bonds (Mississippi Small Enterprise Development Finance Act Issue 2003 Series A through C) (the "Series 2003 Bonds"). As a result of a clerical error by the State and its paying agent, the payment of the principal and interest on that portion of the Series 2003 Bonds was not made until June 7, 2017. The State has taken action to ensure that such an error will not occur in the future.

Annual Debt Service Requirements

Annual debt service requirements for the Series 2017 Bonds are set forth in APPENDIX A hereto.

FISCAL OPERATIONS OF THE STATE

The Budgetary Process

Capital Improvement Budget. Beginning in mid-spring, the Office of Building, Grounds and Real Property Management performs on-site visits, tours and inspects every State building, facility and campus, noting problems and seeing first-hand the requested and necessary projects. The projects are placed into priority guidelines as to the projects (i) preserving and improving the quality of human life, (ii) protecting existing capital investment, (iii) supporting education to compete in the global economy, (iv) providing resources to maintain or gain specific accreditations, and (v) maximizing the State's fiscal opportunities. After consideration, these projects are included in a five-year capital improvement plan and presented to the Legislature for consideration. Funding is requested for a single year, with projections for the succeeding four years presented for informational purposes only.

Operating Budget Preparation. The State operates on a fiscal year beginning July 1 and ending June 30. The budget cycle begins on or about August 1 when all State agencies and institutions requesting appropriations submit budget requests to the Governor's Budget Office and the Legislative Budget Office. Agencies justify their requested budget in hearings held during September and October. At the close of the hearings, the Governor's Budget Office and the Legislative Budget Office receive information prepared by the State Department of Revenue, the University Research Center and the respective budget staffs regarding the financial outlook for the upcoming fiscal year. Based on this information, the budget offices adopt a consensus

revenue estimate. This action enables both branches to use the same revenue estimate as the basis for their budget recommendations. It is a statutory requirement that both the Governor and Legislature submit balanced budgets for consideration. The Executive Budget is prepared and submitted to the Legislature by November 15, except that every four years after a statewide election, the Executive Budget is prepared and submitted to the Legislature by January 15. The Legislative Budget is submitted to the Legislature at its regular session, which begins on the first Tuesday after the first Monday in January of each year. At the close of each annual regular session, the Legislature will have acted on approximately 150 separate appropriation bills that constitute the budget for the upcoming year beginning July 1. All General Fund, Education Enhancement Fund, and most Special Fund expenditures are appropriated annually by the Legislature and those Special Funds that are not appropriated are subject to the approval of the Department of Finance and Administration.

Revenue Projections. Five independently derived projections form the basis of the State's official revenue forecast. The Department of Revenue, the Legislative Budget Office, the Office of the State Treasurer, the Department of Finance and Administration and the University Research Center present and discuss their initial revenue forecasts and reach a consensus projection. This process is carried out for each major revenue category. Estimating techniques consist of econometric modeling and various forms of extrapolation.

Each October, the revenue estimate for the next fiscal year is finalized and presented to the Joint Legislative Budget Committee and the Governor's Budget Office. The estimate may be revised if circumstances warrant upon a consensus being reached by the five revenue-estimating agencies. If revenues fall short of projections, the Department of Finance and Administration is empowered to directly cut expenditures. All State agencies receiving general and/or special funds are subject to funding reductions of up to 5%. No agency receives a cut in excess of 5% unless all have been reduced by this percentage. Tax collections for fiscal year 2014 exceeded expectations in excess of \$252 million or 5.1%. Tax collections for fiscal year 2015 exceeded expectations in the amount of \$25 million or .05%. Tax collections for fiscal year 2016 were less than expectations in an amount of \$207 million or -3.71%. For fiscal year 2017, tax collections were less than expectations in an amount of \$169.4 million or -3.07% through August 2017. For fiscal year 2018, tax collections have exceeded expectations in an amount of \$29 million or 2.55% through September 2017.

If at any time during a fiscal year, the revenues received for that year fall below 98% of the Legislative Budget Office's General Fund revenue estimate, the Department of Finance and Administration, State Fiscal Officer may at any time but shall after October or any month thereafter, reduce allocations to all State agencies to keep expenditures within the actual General Fund receipts including any transfers, which may be made from the Working Cash-Stabilization Fund. Transfers from the Working Cash-Stabilization fund may not exceed \$50.0 million in any fiscal year. Senate Bill 2001 of the Second Extraordinary Session of the 2016 State Legislature removed the \$50.0 million limitation for fiscal year 2016. Senate Bill 2649 of the 2017 Regular Legislative Session provided not more than \$100 million may be transferred in fiscal year 2017.

Budget Implementation. The second phase of the budget process is the implementation of the budget based on the Legislature's appropriation bills. The establishment of any State agency's expenditure authority is a function of the Executive Director of the Department of Finance and Administration (the "Executive Director"). The Executive Director sets two six-month expenditure allotments based on seven major expenditure categories and their funding sources. These initial allotments must be approved by the Executive Director prior to July 1 of each fiscal year.

Budget and Accounting Controls. Based on the budget implemented by the Department of Finance and Administration, the Bureau of Financial Control pre-audits all invoices and supporting documents and issues warrants for payment of the legal debts of the State. No agency is allowed to exceed either the total fund allotment or major expenditure category allotment as established by the Executive Director. All payments made through the Bureau of Financial Control, except those classified as personal services and utilities, must have an approved encumbrance or purchase order on file and are charged against the allotment.

The Department of Finance and Administration has the authority to make limited revisions to agency budgets during the course of the fiscal year in the form of transfers and escalations. If an agency has a line item budget, transfers from one major object of expenditure to another major object of expenditure are limited to a maximum increase of 10% of the receiving major object of expenditure; transfer authority is not applicable to the salary category or to an increase in the equipment category. If an agency has a lump sum appropriation, transfers are not limited. Escalation authority applies to Special Funds only if funded with 100% federal funds. An escalation of nonfederal funds may be made if allowed within the appropriation bill for such requesting agency.

The Department of Finance and Administration maintains a dual fiscal management system, in that control is exercised over the total State budget as well as individual agency budgets. The Department of Finance and Administration may restrict, in its discretion, an agency to monthly allotments when it becomes evident that an agency's rate of expenditure will deplete its appropriation prior to the close of the fiscal year. In addition, should revenue collections fall below the amount estimated for collection during that period of the fiscal year, the Department of Finance and Administration may reduce allocations to all agencies in an amount necessary to keep expenditures within actual General Fund receipts. If it is determined that a deficit in revenues may occur in the General Fund at the end of a fiscal year, the Executive Director shall direct the transfer of such funds as necessary but not more than \$50.0 million from the Working Cash-Stabilization Fund to the General Fund. For fiscal year 2017, the State Legislature provided that not more than \$100 million may be transferred. Should any unexpended Special Fund cash balance exist at the end of a fiscal year, the balance may be retained for use by the respective agency in its accounts with the State Treasurer unless otherwise specified by law.

The State Department of Audit is responsible for and performs a post audit of all public entities under the jurisdiction of the State Auditor and investigates exceptions to spending practices discovered during the audit process. The State Department of Audit has the authority to recover any funds found to have been spent illegally.

GAAP Accounting

The State prepares its Comprehensive Annual Financial Report of the State ("CAFR") in accordance with Section 27-104-4, Mississippi Code of 1972, as amended and supplemented. The CAFR presents information on the financial position and operations of State government as one reporting entity. The various agencies, departments, boards, commissions and funds of State government, which constitute the State reporting entity, are governed by criteria established by the Governmental Accounting Standards Board. This Official Statement also includes financial data that was not prepared according to CAFR specifications but on a budgetary basis. The audited general purpose financial statements of the State for the fiscal year ended June 30, 2016, prepared in accordance with Generally Accepted Accounting Principles ("GAAP"), are presented in this Official Statement as APPENDIX B. The Government Finance Officers Association of the United States and Canada (the "GFOA") has awarded a Certificate of Achievement for Excellence in Financial Reporting to the State for its CAFR for the fiscal years ended June 30, 1987 through 2016 which is the highest form of recognition in the area of governmental financial reporting.

Investment and Cash Management

The State Treasurer is custodian of all State funds including all cash in the General Fund, Education Enhancement Fund, and all Special Funds and is responsible for the investment of all such monies. The State Treasurer serves as custodian for securities, which are pledged to the State to secure deposits of State funds, and for other securities, which are held by various State agencies in accordance with specific State statutes.

As revenues are received from various agencies, they are deposited, and funds not immediately needed for payment are invested in interest-bearing demand accounts and then are normally placed into longer-term investments. Funds of the State invested in certificates of deposit with Mississippi financial institutions are fully collateralized by authorized United States of America and State obligations for amounts in excess of the FDIC coverage. Fiscal records of receipts, deposits and disbursements of all State funds, including federal funds received by the State, are maintained in the State Treasury as well as detailed and current records of the State's bonded indebtedness. All payments of State-obligated bonds and interest due are made by the State Treasurer.

Pursuant to Section 27-105-33, Mississippi Code of 1972, as amended and supplemented, it is the duty of the State Treasurer and the Executive Director of the Department of Finance and Administration on or before the tenth day of each month and at any other time when necessary to analyze the amount of cash in the State's General Fund and in the Special Funds credited to any special purpose designated by the Legislature. They also must determine when the cash in such funds is in excess of the amount needed to meet the current needs and demands on such funds for the next seven days and report the findings to the Governor. The State Treasurer's Office is directed to invest such excess funds in certificates of deposit, United States Treasury Obligations, United States Government agency obligations or in direct security repurchase agreements with approved depositories of the State at a rate of interest numerically equal to the bond equivalent yield on direct obligations of the United States Treasury with a similar length of maturity.

Accounting Systems

Through June 30, 2014, the State operated a Statewide Automated Accounting System ("SAAS"), a comprehensive financial management system that met all GAAP, State budget and other financial management reporting requirements.

As of July 1, 2014, the State implemented a new system known as MAGIC (Mississippi's Accountability System for Government Information and Collaboration), an Enterprise Resource Planning (ERP) software to implement Financial, Procurement, Human Resource, and Payroll functions into a single, integrated software system. MAGIC has met new functional and data requirements; reduces inefficiencies and costs associated with multiple stand-alone systems at the statewide and agency levels; maintains enterprise data on a consistent, "real-time" basis; replaces aging, incompatible technology; and uses state of the art technology based on best business practices. Once MAGIC is fully implemented, it will replace the following legacy systems: SPAHRS (Statewide Payroll and Human Resource System) and ACE (Access Channel for Employees). All other systems utilized by the State prior to the implementation of MAGIC has been discontinued including SAAS (Statewide Automated Accounting Systems); WebProcure; MERLIN (Mississippi Executive Resource Library and Information Network); MELMS (Mississippi Enterprise Learning Management System); and PATS (Project Accounting and Tracking System).

Through the use of various funds, the Office of Fiscal Management of the Department of Finance and Administration accounts for operations of the State on a modified cash basis for budgetary purposes and on the modified accrual basis for GAAP purposes.

Overview of State Funds

The accompanying tables present a summary of receipts, disbursements and beginning and ending cash balances of the General Fund, Education Enhancement Fund, and Special Funds.

Receipts and disbursements of the General Fund and Special Funds, as shown in the tables, may differ substantially from budgetary resources and appropriations for a number of reasons, including the following:

- (a) Capital improvements authorized in a given fiscal year's budget may require several years to complete, so that the amounts appropriated for capital improvements in a particular fiscal year do not necessarily correspond to actual disbursements for capital improvements in that fiscal year. In such cases, unused money is reappropriated each fiscal year; and
- (b) Appropriations by the Legislature for current purposes in a particular fiscal year constitute an authorization to spend up to a certain amount, but no more. In most cases, the amount actually disbursed will be below that limit.

The General Fund. Revenues of the State for general operating purposes are derived principally from sales, income and use taxes, gaming taxes and fees, plus smaller amounts from other taxes, profits from wholesale sales of alcoholic beverages, interest earned on investments, proceeds from sales of various supplies and services, service charges and license fees. For the fiscal year ended June 30, 2016, sales taxes accounted for 37.4%, individual income taxes for 32.1% and corporation income and franchise taxes for 10.8% of the total receipts allocated to the General Fund. For the fiscal year ended June 30, 2017, sales taxes accounted for 36.6%, individual income taxes for 31.7% and corporation income and franchise taxes for 10.0% of the total receipts allocated to the General Fund. A comparison of the amounts received by the various revenue sources (budgetary basis) of the General Fund is detailed in the Revenues section of the accompanying table entitled "STATE OF MISSISSIPPI GENERAL FUND - Results of Operations - Budgetary Basis."

The General Fund appropriation is limited to 98% of the official revenue estimate and estimated prior fiscal year ending cash balance; unless waived by an act of the State Legislature. The 2015 State Legislature waived this rule for fiscal year 2016 and appropriated 100% of the revenue estimate. The 2016 State Legislature waived this rule for fiscal year 2017 and appropriated 100% of the revenue estimate. The 2017 State Legislature waived this rule for fiscal year 2018 and appropriated 99% of the revenue estimate. For the fiscal year ending June 30, 2018, appropriation for educational purposes accounts for 53.1% of the General Fund Budget. This includes State contributions to local school and community college districts. However, this percentage does not include certain State contributions such as maintenance funds for local school districts, shared taxes or local assistance. Other principal disbursements include costs related to welfare, public health, health care and hospitals and certain State operations. General Fund (budgetary basis) expenditures are

detailed in the Disbursements section of the accompanying table entitled "STATE OF MISSISSIPPI GENERAL FUND - Results of Operations - Budgetary Basis."

The General Fund, as shown in the 2016 financial statements in APPENDIX B, is defined in Note 1 of the Notes to the Financial Statements on Significant Accounting Policies. The 2016 financial statements as set forth in APPENDIX B reflect all funds of the State, not just those that are budgeted.

At each fiscal year end, the General Fund unencumbered cash balance is distributed in the following order: (1) an amount not to exceed \$750,000 to the Municipal Revolving Loan Fund; (2) an amount equal to 50% of the remaining balance, not to exceed 10% of the General Fund appropriations for the fiscal year that the unencumbered balance represents, to the Working Cash Stabilization Reserve Fund; and (3) any remaining amount to the Capital Expense Fund.

As of September 30, 2017, the Working Cash Stabilization Fund had a fund balance of \$286,363,737.88.

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**State of Mississippi General Fund
Results of Operations-Budget Basis for Fiscal Year Ended June 30 (In Thousands)**

	2012	2013	2014	2015	2016
TAXES:					
Sales	\$1,854,730	\$1,911,112	\$1,955,113	\$2,034,319	\$2,062,137
Individual Income	1,489,168	1,650,091	1,666,791	1,743,427	1,769,431
Corporate Income and Franchise	505,306	524,077	677,046	714,086	596,260
Use and Wholesale Compensating	216,879	233,462	246,322	226,522	238,254
Tobacco, Beer and Wine	187,979	181,017	176,181	177,786	175,573
Insurance	183,045	198,103	250,984	240,413	292,774
Oil and Gas Severance	89,913	82,796	76,654	54,761	26,483
Alcohol Excise and Privilege	66,669	70,017	71,525	73,854	73,369
Other	11,970	12,167	10,869	16,256	12,845
Interest	14,678	13,151	13,511	13,336	10,206
Auto Privilege, Tax and Title Fees	8,977	8,716	9,759	9,443	9,389
Gaming Fees	152,077	139,630	127,777	131,270	133,847
Highway Safety Patrol Fees	20,774	21,297	22,856	23,595	20,429
Other Fees and Services	11,266	11,109	10,292	12,543	11,680
Miscellaneous	4,587	4,499	3,851	3,314	2,826
Court Assessments and Settlements	20,041	35,228	70,286	50,011	66,207
Special Fund Revenues				0	0
TOTAL REVENUES	\$4,847,059	\$5,096,461	\$5,389,807	\$5,523,927	\$5,501,710
Expenditures by Major Budgetary Function:					
Legislative	\$ 23,931	\$ 26,364	\$ 26,378	\$ 26,464	\$ 28,154
Judiciary & Justice	62,165	62,664	64,453	71,260	74,070
Executive & Adm	2,940	3,044	3,217	3,171	3,128
Fiscal Affairs	54,180	56,320	56,792	63,396	66,876
Public Education ⁽¹⁾	2,011,890	2,029,370	2,077,657	2,162,141	2,252,624
Higher Education	764,001	721,016	761,596	789,825	807,597
Public Health	26,513	33,117	35,796	35,442	36,569
Hospitals and Hospital Schools	235,343	210,426	216,072	219,418	221,768
Agriculture, Commerce & Economic Dev.	104,893	103,303	110,034	116,204	118,615
Conservation and Recreation	46,035	45,388	48,135	51,867	52,357
Insurance and Banking	0	0	0	0	0
Corrections	310,951	311,739	334,580	345,280	326,337
Social Welfare	311,284	541,775	737,836	990,961	1,098,569
Public Protection and Veterans Assistance	85,433	87,988	88,001	104,006	108,103
Local Assistance	81,109	81,109	81,109	84,455	83,188
Motor Veh. & Other Regulatory Agencies	22	39	40	40	32
Miscellaneous	1,211	1,212	1,337	1,378	1,540
Public Works	0	0	0	32,000	0
Debt Service	369,564	375,804	375,455	380,532	392,099
TOTAL EXPENDITURES	4,491,465	4,690,667	5,018,488	5,477,830	5,871,626
Excess of Rev. over (under) expenditures	355,594	405,795	371,319	46,097	(169,916)
Other Financing Sources (Uses)					
Transfers In	23,534	22,092	13,213	12,184	190,961
Transfers Out	(376,405)	(426,992)	(397,492)	(50,761)	(62,416)
Other Sources (uses) of Cash	24	24	164	(343)	(515)
Excess of Revenues & Other Sources over (under)	-2,747	-919	(12,796)	7,177	(41,886)
Expenditures & Other Uses	-2,747	-919	(12,796)	7,177	(41,886)
Budgetary Fund Balances, Beginning	\$ 50,455	\$ 53,202	\$ 54,121	\$ 41,325	\$ 48,502

⁽¹⁾ Public Education reflects all educational activities.

Source: Department of Finance and Administration. (Fiscal Year 2017 information is not available until late Fall 2017.)

Education Enhancement Fund. Of the total sales tax revenue collected, 2.266% is to be deposited into the School Ad Valorem Tax Reduction Fund until such time that the total amount deposited into the fund during a fiscal year equals \$42 million. Thereafter, the amounts diverted during the fiscal year in excess of \$42 million are to be deposited into the Education Enhancement Fund for appropriation by the Legislature. Additionally, 9.073% of the total sales tax revenue collected is to be deposited into the Education Enhancement Fund.

Of the amount deposited into the Education Enhancement Fund, \$16 million must be appropriated to the State Department of Education to be distributed to all of the school districts in proportion to the average daily attendance of each school district, 16.61% for the support of the Adequate Education program, 7.97% for transportation and maintenance, 9.61% for classroom supplies, educational materials and equipment including computers and software, 22.09% for the purpose of supporting institutions of higher learning and 14.41% for the purpose of providing support to community and junior colleges. Of the remaining balance, \$25 million is to be deposited to the Working Cash-Stabilization Reserve Fund until the balance reaches the maximum of 10% of the General Fund appropriation for the appropriate fiscal year and the remaining balance is to remain in the Education Enhancement Fund for appropriation for other educational needs.

EDUCATION ENHANCEMENT FUND
For Fiscal Year Ended June 30 (In Thousands)

	2013	2014	2015	2016	Unaudited 2017
RESOURCES:					
Surplus from Prior Year	\$ 35,386.2	\$ 24,539.0	\$ 20,501.5	\$ 7,896.0	\$ 0.0
Sales Tax	268,582.6	276,440.3	288,934.5	294,023.3	296,419.8
Use Tax	28,127.5	30,036.6	27,539.7	29,467.4	29,215.5
Ad Valorem Reduction	46,000.0	45,596.1	46,002.2	46,000.0	46,000.0
Additional EEF from Dept. of Ed.	4,481.7	213.0	403.9	2,031.0	1,952.4
Transfer in from General Fund	0.0	0.0	0.0	0.0	0.0
Total Resources Available	\$ 382,578.0	\$ 376,825.0	\$ 383,381.6	\$ 379,407.7	\$ 373,587.7
DISBURSEMENTS:					
Education, K-12	\$ 254,226.3	\$ 252,529.1	\$ 265,482.2	\$ 268,333.1	\$ 260,810.2
Community & Jr. Colleges	60,833.4	40,002.8	42,522.7	42,730.3	40,763.3
Institutions of Higher Learning	40,180.1	60,822.3	64,292.8	64,957.6	61,988.1
Other	2,799.2	2,969.2	3,188.1	3,386.7	3,444.1
Total Disbursements	358,039.0	356,323.4	375,485.8	379,407.7	367,005.7
YEAR END SURPLUS	\$ 24,539.0	\$ 20,501.6	\$ 7,896.0	\$ 0.0	\$ 6,582.0

Source: Department of Finance and Administration.

Special Funds

General. The major sources of Special Fund receipts are federal grants-in-aid and diversion of State taxes for special purposes. Special Fund receipts are not estimated on a statewide basis. Expenditures are limited by the receipt of revenues. A portion of both motor vehicle privilege taxes and motor fuel excise taxes is deposited to a special fund for highway construction, and the balance of the privilege and excise tax collections is diverted to counties and municipalities.

For the fiscal year ended June 30, 2016, Special Funds received approximately \$6,753.2 million from the federal government which includes \$680.9 million for public education and \$496.1 million for highways. In addition, State tax receipts of \$1,466.6 million were diverted into Special Funds for particular purposes as provided by State law.

Health Care Trust Fund. The Health Care Trust Fund (the "Health Care Trust Fund") is a special fund established pursuant to 43-13-401 et seq., Mississippi Code of 1972, as amended and supplemented, for the deposit of funds received by the State as a result of the national tobacco litigation settlement. The Mississippi Legislature declared that such funds received by the State should be applied toward improving the health and health care of the citizens and residents of the State.

The Health Care Trust Fund began fiscal year 2000 with a balance of \$280,000,000. All subsequent tobacco settlement annual payments were to be deposited into the Health Care Trust Fund. Each year, a specified amount of funds from the Health Care Trust Fund are transferred to the "Health Care Expendable Fund", and those funds are available for expenditure by appropriation of the Legislature exclusively for health care purposes. If the interest and dividends from the investment of the Health Care Trust Fund are insufficient to fund the transfer to the Health Care Expendable Fund, the State Treasurer will transfer from the annual installment payment an amount sufficient to fully fund the transfer as required.

The 2011 Mississippi Legislature further amended the law and required annual transfers from the Health Care Trust Fund to the Health Care Expendable Fund for appropriation for health care needs. The annual transfer provided in the law is as follows:

Fiscal Year	Annual Transfer
2006	\$186,000,000
2007	186,000,000
2008	106,000,000
2009	92,254,000
2010	112,000,000
2011	112,000,000
2012	56,263,438
2013	97,450,332
2014	23,100,000
2015	3,055,564
2016	18,762
2017	5,475

Source: Department of Finance and Administration.

A board of directors, consisting of thirteen members, is statutorily responsible for investing the funds in the Health Care Trust Fund and the Health Care Expendable Fund. The board voted in May 2010 to discontinue meeting regularly since the assets were being gradually liquidated to satisfy the appropriations approved by the State Legislature. Upon receipt of the annual tobacco settlement payments on December 31, 2015 and in April 2016, the combined balance of both payments was transferred into the Expendable Fund by the end of fiscal year 2016. Future payments from the annual tobacco settlement will be transferred directly into the Expendable Fund. At September 30, 2017, the Health Care Expendable Fund had a balance of \$2,515,856.82.

Mississippi Prepaid Affordable College Tuition Fund. The Mississippi Prepaid Affordable College Tuition ("MPACT") program is a trust fund managed for the payment of tuition as required by contracts between the State and purchasers of the contracts. Monies received from purchasers of the MPACT contracts provide some of the cash flow used to satisfy the payment of benefits to institutions of higher learning on behalf of matriculating students. In addition to the payments received from the purchasers of MPACT contracts, the program is also funded in part from the dividends, interest and gains from the assets under management. The MPACT fund is managed within an actuarial framework, so the fund does have a target rate of return in order to grow the fund to a size that will be able to accommodate future obligations. All MPACT contracts carry the full faith and credit of the State. The relevant statute governing the MPACT Fund is Section 37-155-1 to Section 37-155-27, Mississippi Code of 1972, as amended and supplemented.

The MPACT Fund is overseen by the College Savings Plans of Mississippi Board of Directors (the "Board") of which the State Treasurer serves as Chairman. Any action taken with regard to the investments of the funds, including changes in investment management, investment policy, asset allocation, etc., must be approved by the Board.

On August 23, 2012, the Board voted to defer the 2012 enrollment effective September 1, 2012 and contract for the performance of an actuarial audit. Results of the audit were communicated to the Board at its April 30, 2013 Board meeting. Over the following 18 months, the Board held numerous planning sessions to review and approve changes to the program and the actuarial funding assumptions. The program reopened for enrollment on October 1, 2014. Utilizing the revised actuarial assumptions, as of June 30, 2016, the MPACT Fund-Legacy Plan had \$306.1 million in assets under management with a funded status of 72.1%. The value of expected liabilities of the trust exceeded the value of the assets, including the value of future payments by contract holders, by \$126.5 million. As of June 30, 2016, the MPACT Fund-Horizon Plan had \$16.8 million in assets under management with a funded status of 117.2%. The value of assets of the trust exceeded the value of the expected liabilities, including the value of future payments by contract holders, by \$4.2 million. The liability amounts are based on actuarial assumptions approved by the Board.

Budget Contingency Fund. The Budget Contingency Fund is a special fund created by the Legislature to handle non-recurring budget shortfalls. During the 2016 legislative session, the Legislature directed the initial \$150 million deposit of the BP Litigation Settlement to the Budget Contingency Fund, and

appropriated \$42.5 million to various coastal projects. The \$150 million settlement payment was received in early fiscal year 2017. At September 30, 2017, the fund balance was \$100,079,617.94.

Education Improvement Trust Fund. The Education Improvement Trust Fund is legally restricted to the extent that only earnings, and not principal, may be used for the purpose of educating elementary and secondary school students and for vocational training in the State. As of September 30, 2017, the Education Improvement Trust Fund had a balance of \$47,879,064.53.

STATE OF MISSISSIPPI SPECIAL FUND RECEIPTS⁽¹⁾⁽²⁾
For Fiscal Year Ended June 30, (In Thousands)

	2012	2013	2014	2015	2016
TAXES:					
Department of Revenue	\$ 794,907.9	\$ 752,613.2	\$ 826,485.8	\$ 786,111.4	\$ 874,481.0
Motor Vehicle Division	532,818.4	529,981.6	527,316.6	539,017.9	571,830.0
Other	28,376.2	29,605.9	29,726.9	15,969.1	20,277.9
Licenses, Fees, Permits & Penalties	729,125.0	809,560.6	778,155.9	605,127.0	508,141.6
Interest on Direct Investments	42,579.2	42,795.9	34,439.7	21,977.1	24,827.8
Sales and Services	851,431.3	775,814.0	806,157.4	656,960.2	932,302.9
Federal Grants-In-Aid					
Education	771,122.7	710,666.2	655,345.5	614,719.9	680,904.3
Highways	611,627.7	561,562.9	550,970.8	483,559.9	496,123.5
Public Health & Welfare ⁽²⁾	4,092,232.9	4,320,283.7	4,277,499.9		0.0
Federal-State Local Programs	434,517.3	332,720.2	246,077.6	5,351,049.2	5,576,163.7
Agricultural & Economic Dev ⁽²⁾	9,269.6	7,445.0	5,566.5		0.0
Employment Security ⁽²⁾	79,243.2	82,708.5	61,212.1		
Other	552,768.3	443,002.7	362,532.1	9,346.2	14.8
Political Subdivisions	87,272.4	146,564.7	189,787.2	180,694.0	115,633.6
Gross Sales of Alcoholic Bev	<u>222,976.1</u>	<u>229,973.6</u>	<u>233,304.1</u>	<u>319,584.8</u>	<u>245.2</u>
TOTAL REVENUE RECEIPT	\$ 9,837,268.3	\$ 9,774,198.7	\$ 9,584,538.2	\$ 9,484,116.7	\$ 9,800,946.3
Bonds, Notes Issued	811,760.4	763,555.3	335,024.5	76.1	0.0
Trans, Refunds & Other Rec.	<u>2,760,408.8</u>	<u>2,634,216.0</u>	<u>1,974,623.4</u>	<u>1,748,512.6</u>	<u>1,470,072.7</u>
TOTAL RECEIPTS	<u>\$13,409,437.5</u>	<u>\$13,171,970.0</u>	<u>\$11,894,186.1</u>	<u>\$11,232,705.4</u>	<u>\$11,271,019.0</u>

⁽¹⁾ The financial data presented in this chart was not prepared according to CAFR specifications, but is presented on a budgetary basis.

⁽²⁾ Public Health & Welfare, Agricultural & Economic Development, and Employment Security now included in the Federal State Local Programs.

Source: Department of Finance and Administration. (FY17 information is not due until the end of Calendar Year 2017.)

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STATE OF MISSISSIPPI SPECIAL FUND DISBURSEMENTS⁽¹⁾
For Fiscal Year Ended June 30 (In Thousands)

	2012	2013	2014	2015	2016
Legislative	\$ 808.0	\$ 0.0	\$ 6.0	\$ 6.0	\$ 0.0
Judiciary & Justice	53,690.0	65,884.0	61,568.0	63,687.3	72,379.1
Executive & Administrative	50,969.0	20,576.0	22,871.0	39,500.0	18,638.0
Fiscal Affairs	149,591.0	115,895.0	129,467.0	158,908.0	115,726.0
Public Education	899,741.0	787,847.0	764,376.0	763,362.8	809,466.0
Higher Education	65,993.0	75,362.0	79,833.0	91,522.9	86,206.0
Public Health & Social Welfare	6,487,583.0	6,625,960.0	6,350,977.0	6,589,816.0	6,668,631.0
Hospitals & Hospital Schools	372,768.0	366,932.0	366,650.0	382,159.7	375,919.0
Agriculture & Economic Development	396,694.0	333,927.0	272,311.0	257,455.0	208,373.0
Conservation & Recreation	320,940.0	257,725.0	263,898.0	239,593.0	243,233.0
Insurance & Banking	48,981.0	56,912.0	60,519.0	70,252.5	57,907.0
Corrections	28,873.0	48,664.0	44,418.0	13,747.1	32,302.0
Interdepartmental Service	48,301.0	46,756.0	48,422.0	47,116.6	51,905.0
Public Protection & Assistance to Veterans	690,168.0	544,601.0	457,827.0	497,464.0	377,013.0
Local Assistance					
Motor Vehicle & Other					
Regulatory Agencies	27,153.0	30,190.0	27,759.0	28,345.8	29,119.0
Miscellaneous	1,003.0	996.0	720.0	767.0	1,213.0
Public Works	1,341,052.0	1,233,866.0	1,318,348.0	1,161,434.0	1,198,184.0
Debt Service	24,063.0	27,036.0	46,222.0	28,464.0	9,989.0
TOTAL DISBURSEMENTS	\$11,006,371.0	\$10,639,029.0	\$10,346,192.0	\$10,433,592.0	\$10,366,193.0

⁽¹⁾ The financial data presented in this chart was not prepared according to CAFR specifications, but is presented on a budgetary basis.

Source: Department of Finance and Administration. (FY17 information is not available until late Fall 2017.)

Potential Claims Related to Federal Grants

The State is aware of several potential claims against the State by federal agencies for the reimbursement of certain federal grant monies. The State believes that the maximum aggregate exposure for the repayment of these grants, if any, will not exceed \$104,000,000. The State is in the process of gathering information which it believes will mitigate this exposure to the federal government.

DESCRIPTION OF STATE TAXES

State operations are funded by General Fund revenues, Education Enhancement Fund revenues and Special Fund receipts. Mississippi's tax base receives its major support from general sales and use taxes, personal income taxes, corporate income and franchise taxes, petroleum excise taxes, motor vehicle privilege taxes, insurance premium taxes and excise levies on tobacco and alcohol. The major sources of General Fund revenues are sales and use taxes, personal income taxes and corporate income and franchise taxes.

Sales Taxes. Sales taxes are imposed at a general tax rate of 7% (see "FISCAL OPERATIONS OF THE STATE - Education Enhancement Fund" herein). The State returns to the municipalities 18.5% of the retail sales tax collected within each municipality. Major exemptions from the sales tax include: (i) sales to governments; (ii) sales of raw materials to manufacturers, large vessels, barges and rail rolling stock; (iii) sales of livestock; (iv) sales of property for foreign export; (v) sales of seed, feed, fertilizer and agricultural chemicals; (vi) sales of farm products by a producer, except when sold by a producer through a regular place of business; (vii) sales of certain utility services for residential, industrial and farm use; (viii) sales of motor fuel; (ix) sales of food purchased with food stamps; (x) sales to non-profit hospitals and infirmaries; (xi) sales of newspapers; and (xii) sales of prescription drugs and medicines. The tax rate for construction contracts exceeding \$10,000, except residential construction, is 3.5%. The tax rate for the sale of automobiles, light trucks and motor homes is 5%. The tax rate for the sale of aircraft, semi-trailers and mobile homes is 3%. The tax rate for the sale of manufacturing machinery and equipment, farm implement and farm tractors is 1.5%. Sales to electric power associations are taxed at 1%.

Use Taxes. Use taxes are imposed at the same rate as sales taxes on personal property from out-of-state sources for use, consumption or storage in the State. Credit is allowed for taxes paid to another state if the property has been used in another state prior to being brought into the State for use. Exemptions for use taxes are the same as those for sales taxes.

Personal Income Taxes. Personal income taxes are imposed at a rate of 3% on the first \$5,000 of taxable income, 4% on the second \$5,000 and 5% on the remainder. Single taxpayers are allowed a \$6,000 exemption. Married taxpayers are allowed a \$12,000 joint exemption. Heads of household taxpayers with one or more dependents living in the home are allowed an \$8,000 exemption. The exemption for each dependent is \$1,500, plus an additional \$1,500 exemption for taxpayers who are blind or over age 65. The Mississippi Taxpayer Pay Raise Act of 2016 (the "Taxpayer Pay Raise Act") passed during the 2016 Legislative Session will gradually eliminate the 3% tax bracket. Under the current plan, \$1,000 of the first \$5,000 of taxable income would be exempted in 2018, with another \$1000 each year until the bracket is phased out by 2022.

Corporate Income and Franchise Taxes. Franchise taxes are currently imposed at a rate of \$2.50 per \$1,000 of capital employed in the State. The Taxpayer Pay Raise Act will gradually eliminate the franchise tax. Beginning in 2018, the first \$100,000 of taxable capital will be exempt from the franchise tax. In 2019, the tax cut reduces the rate by 25 cents every year until the franchise tax is fully repealed by January 1, 2028. Certain nonprofit and not-for-profit organizations are exempt from corporate income taxes and franchise taxes, such as (i) religious, charitable, educational and scientific associations and institutions; (ii) business leagues, labor organizations, chambers of commerce; (iii) civic leagues and social clubs operated for promotion of social welfare; (iv) non-profit agricultural associations such as farmers' or fruit growers' cooperatives; and (v) non-profit cooperative electric power associations. A small business corporation having a valid election in effect under Subchapter S of the Code is exempt from State income tax, except for that portion of income that might be allocable to shares of stock owned by nonresidents of the State.

Gaming Taxes and Fees. Gaming taxes and fees are imposed on gaming establishment gross revenue at a rate of 4% on the first \$50,000 per month, 6% of the next \$84,000 per month and 8% of all over \$134,000 per month.

Other Taxes. The Department of Revenue also collects other taxes that provide significant amounts of revenue. The tobacco tax is imposed on sales of all tobacco products in the State, including cigarettes, which are taxed at 68 cents per package of 20 cigarettes, all other tobacco products are taxed at 15% of the manufacturer's list price. Other taxes include gas and oil severance, beer excise, insurance premium, and finance company privilege taxes.

The Alcoholic Beverage Control Division of the Department of Revenue that controls the sale and consumption of distilled spirits and wine contributes to the General Fund through the collection of State excise taxes, markups, permit license fees (one half goes to the city or county where the permittee is located), permit application fees and interest earned on demand deposits.

SUMMARY OF GENERAL FUND RECEIPTS BY MAJOR SOURCES
Fiscal Year Ended June 30
(In Millions)

	2015		2016		2017 ⁽¹⁾	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Total General Fund Receipts	\$5,536.5	100.0%	\$5,692.7	100.0%	\$5,654.0	100.0%
Sales Taxes	2,034.3	36.7	2,062.1	36.2	2,055.2	37.04
Individual Income Taxes	1,743.4	31.5	1,769.4	31.1	1,781.7	32.11
Corporate Income & Franchise Taxes	714.1	12.9	596.3	10.5	564.0	10.16
Use Taxes	226.5	4.1	238.3	4.2	234.1	4.22
Gaming Taxes & Fees	131.3	2.4	133.8	2.4	133.0	2.40
Insurance Premium Taxes	218.5	3.9	268.6	4.7	274.5	4.95
All Other Receipts	468.4	8.5	624.2	11.0	611.5	9.12

⁽¹⁾ 2017 General Fund Receipts are through the end of June 2017.
Source: Department of Finance and Administration.

RETIREMENT SYSTEM

In accordance with State statutes, the Public Employees' Retirement System (the "System") Board of Trustees (the "Board of Trustees") administers 24 programs and plans, including 22 defined benefit plans and two defined contribution plans. The defined benefit plans include the Mississippi Public Employees' Retirement System ("PERS"), a cost-sharing multiple-employer public employee retirement system established in 1952, the Mississippi Highway Safety Patrol Retirement System ("MHSPRS"), a single-employer public employee retirement system established in 1958, the Supplemental Legislative Retirement Plan ("SLRP"), established in 1989, and the Municipal Retirement Systems ("MRS") made up of 17 fire and police and two municipal employee plans placed under the administration of the System on July 1, 1987. MRS is an agent multiple-employer defined benefit public employees' retirement system.

The defined contribution plans include the Optional Retirement Program ("ORP"), established in 1990 in accordance with Section 401(a) of the IRS Code as an alternative for membership in PERS for certain teaching faculty and certain administrative staff of the State's eight colleges and universities, and the Mississippi Deferred Compensation Plan and Trust ("MDCPT") created in 1973 in accordance with Section 457 of the IRS Code. The System has no liability for losses under the ORP or the MDCPT but does have fiduciary responsibilities for both plans related to the administration and selection of investment vehicles. Any political subdivision or judicial entity within the State may elect to have its employees covered by PERS or participate in the MDCPT. As of June 30, 2017, the System covered 880 public entities within the State.

Total System Covered Employers and Members as of June 30, 2017

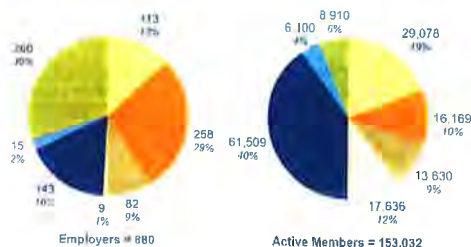
Total System Covered Employers and Members

Source: PERS Database

June 30, 2017

- State Agencies
- Municipalities**
- Counties
- State Universities
- Public Schools
- Junior/Community Colleges
- Other Political Subdivisions**

Includes MHSPRS and SLRP
includes hospitals, libraries, and other justice entities
includes MRS



The State neither contributes to MRS nor assumes any liability for benefits payable to members but does have the duty of due care required of an ordinary prudent investor. The plans under MRS were closed from 1975 through 1987 and the administration transferred to PERS in 1987.

On July 1, 1989, the Legislature established the SLRP for the purpose of providing supplemental retirement allowances and other benefits for elected members of the State Legislature and the President of the Senate and their beneficiaries. Each legislator and the President of the Senate must contribute 3% of all compensation or remuneration paid, except mileage allowances. The contribution rate by the State is 7.4%.

On July 1, 1990, ORP was established for employees of the State's nine colleges and universities who hold certain teaching or administrative faculty positions and who are appointed or employed after July 1, 1990. These participants have rejected membership in PERS. Title 25, Article 11 of the Mississippi Code states that the System will provide for administration of the ORP Program. ORP participants direct the investment of their funds. Benefits payable to plan participants are not obligations of the State. As such, ORP is not considered part of the System's reporting entity for financial reporting purposes.

Membership in PERS is a condition of employment and eligibility is granted upon hiring for all State agency and university employees not participating in ORP. For those employed by political subdivisions and instrumentalities of the State, membership is contingent upon the PERS Board of Trustees' approval of the entity's participation in the plan. If approved, membership is a condition of employment and eligibility is granted upon hiring.

Participating employees who retire at or after age 60 with four years of credited service if hired before July 1, 2007 or for those that were hired on July 1, 2007 or after, who retire at or after age 60 with eight years of credited service or those who retire regardless of age with at least 25 years of credited service if hired prior to July 1, 2011 or 30 years for those that were hired on July 1, 2011 or after are entitled to an annual retirement allowance, payable monthly for life. The retirement allowance is an amount equal to 2% of their average compensation for each year of credited service up to and including 25 years and 2.5 % for each year of credited service over 25 years, if hired prior to July 1, 2011. If hired on July 1, 2011 or after they are entitled to an annual retirement allowance, payable monthly for life, in an amount equal to 2% of their average compensation for each year of credited service up to and including 30 years and 2.5 % for each year of credited service over 30 years. There is an actuarial reduction for each year of creditable service below 30 or for each year of age below age 65, whichever is less for those hired on July 1, 2011 or after. "Average compensation" is the average of the employee's earnings during the four highest compensated years of credited service. A member may elect an option for a reduced allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of four years of credited service for those hired prior to June 30, 2007 and vest with completion of eight years of credited service for those hired on or after July 1, 2007. PERS also provides certain death and disability benefits. Retirees and beneficiaries have the option of maintaining health and other coverage at their own expense. Benefit provisions are established by Section 25-11-1 *et seq.*, Mississippi Code of 1972, as amended, and may be amended and supplemented from time to time only by the State Legislature.

The System incurs no expense for post-retirement health benefits. See Note 16 in the Excerpts from 2015 Audited Financial Statements of the State included in APPENDIX B hereto for a complete discussion of the State's other post-employment benefits.

Membership in MHSPRS is a condition of employment and eligibility is granted upon hiring for all officers of the Mississippi Highway Safety Patrol (the "Highway Patrol") who have completed a course of instruction in an authorized highway patrol training school on general law enforcement and who serve as uniformed officers of the Highway Patrol. Participating employees in MHSPRS who withdraw from service at or after age 55 with at least five years of membership service or, after reaching age 45 with at least 20 years of credited service, or with 25 years of credited service at any age are entitled to an annual retirement allowance, payable monthly for life, in an amount equal to 2.5% of their average compensation during the four highest consecutive years of earnings reduced 3% for each year below age 55 or 3% for each year under 25 years of service, whichever is less. MHSPRS also provides certain death and disability benefits. Retirees and beneficiaries have the option of maintaining health and other coverage at their own expense. Benefit provisions for MHSPRS are established by Section 25-13-1 *et seq.*, Mississippi Code of 1972, as amended, and may be amended and supplemented from time to time only by the State Legislature.

Employees covered by PERS are required to contribute 9.0% of their salaries, as of July 1, 2010. Employees of MHSPRS are required to contribute 7.25%, as of July 1, 2008. Members of SLRP are required to contribute an additional 3% of their compensation. Beginning July 1, 2013, the employers of PERS are required to contribute 15.75%; MHSPRS, 37.00%; and SLRP, remains at 7.40%, since January 1, 2012.

During a special session, the 2010 Mississippi Legislature passed House Bill 1 ("House Bill 1") which amended Sections 25-11-123, 25-11-109 and 25-11-115, Mississippi Code of 1972, and increased the percent of earned compensation as stated above from 7.25% to 9% (as a percentage of gross salary) and members who retire on or after July 1, 2010 will receive credit for $\frac{1}{2}$ day of leave for each full year of membership service accrued after June 30, 2010. Also, a new option for members of PERS for payment of a member's retirement allowance provides that upon the retired member's death, $\frac{1}{4}$ of the member's reduced retirement allowance will be continued throughout the life of the employee's beneficiary.

Actuarial assumptions at June 30, 2017 were:

- (a) Rate of return on investment of 7.75%;
- (b) Projected Wage inflation rates 3.25%;
- (c) Projected salary increases of 3.25% to 18.50% per year for PERS, 3.25% to 8.81% for MHSPRS and 3.25% for SLRP attributable to seniority/merit;
- (d) Assumption that post-retirement benefits will increase 3.0% per year for PERS and SLRP; calculated 3% simple interest to age 55, compounded each year thereafter; and 3.0% for MHSPRS; calculated 3% simple interest to age 60, compounded each year thereafter;
- (e) Entry age for actuarial cost method; and
- (f) Five-year smoothed market asset valuation method.

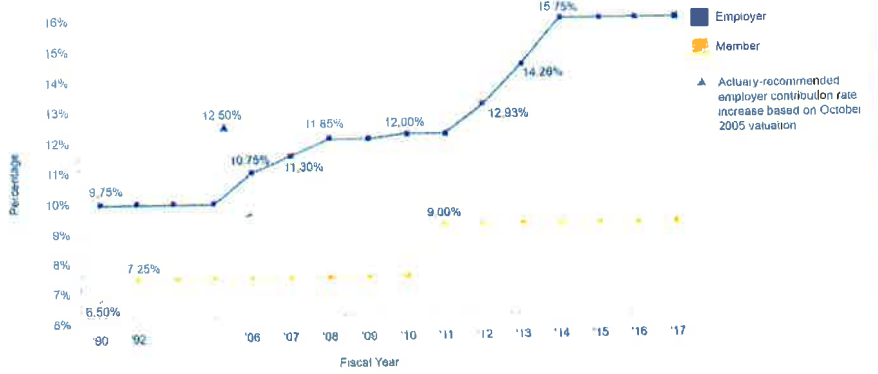
Employer contribution rates for PERS, and SLRP are set by the PERS Board of Trustees in accordance with the adopted Funding Policy following the annual actuarial valuation and projection reports. The employer contribution rate for MHSPRS is set by the MHSPRS Advisory Board in accordance with the adopted Funding Policy following the annual actuarial valuation and projection reports. The PERS Board of Trustees revised the Funding Policy for PERS and SLRP in 2012 with the focus on contribution stability with an objective of producing a projected funded ratio of at least 80% in 2042. Unfunded actuarial accrued liabilities are amortized as a level percent of the active member payroll, at a rate designed to produce a projected funded ratio of at least 80% in 2042. The MHSPRS Funding Policy provides that unfunded actuarial accrued liabilities are amortized as a level percent of active member payroll at a rate designed to produce a projected funded ratio of at least 80% in 2042. These benchmarks are reviewed annually and should the projected funded ratio be less than 60% in 2042 or projected to be less than 75% in 2042 following two consecutive annual actuarial valuations (70% following three consecutive annual actuarial valuations for MHSPRS), a contribution rate increase will be determined that is sufficient to generate a funded ratio of 85% in 2042. The employer contribution rate so computed, expressed as a percent of active member payroll, is designed to accumulate sufficient assets to pay benefits when due. For MRS, as closed plans, with declining active and retired memberships, the contribution is determined as a percentage of each municipality's assessed property valuation that generates an ultimate asset reserve level equal to a reasonable percentage (100 to 150 percent) of the next year's projected benefit payments, with the objective of developing a pattern of contribution rates that will develop the required funds needed to meet the objective of paying all benefits when due with little, if any, residual asset value. . .

House Bill 1 increased the PERS member contribution rate from 7.25% to 9.0% (as a percentage of gross salary) effective July 1, 2010. Employer contribution rate increases scheduled to go into effect July 1, 2011, were delayed six months. At its October 2010 scheduled meeting, the Board approved rate increases from 12 to 12.93 % for PERS-covered employers, 6.65 to 7.40 % for the SLRP and 30.30 to 35.21 % for the MHSPRS. However, in response to a request from leaders in the Mississippi Legislature, the Board of Trustees took action at its February 2011 meeting and the MHSPRS Administrative Board voted in March 2011 to delay any employer contribution rate increase until January 1, 2012. Effective July 1, 2012, the PERS employer contribution rate increased from 12.93% to 14.26% and the MHSPRS from 35.21% to 37.0%. Effective July 1, 2013, the PERS employer contribution rate increased from 14.26% to 15.75%.

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PERS Contribution Rate Change History

Source: PERS Actuarial Valuation Report

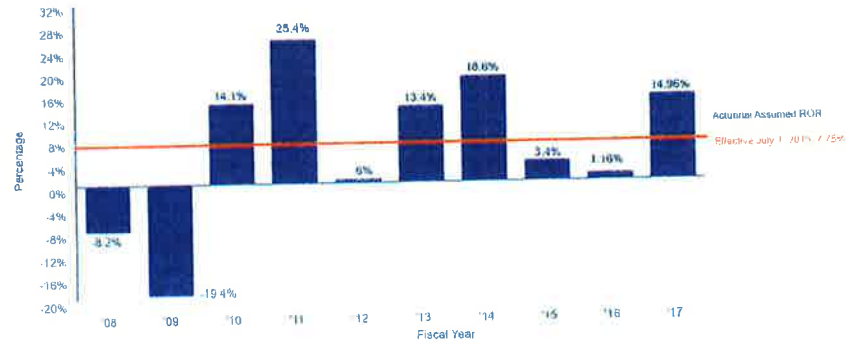


Effective Date	11/1/80 FY 80	7/1/81 FY 81	7/1/05 FY 06	7/1/06 FY 07	7/1/07 FY 08	7/1/09 FY 10	7/1/10 FY 11	1/1/12 FY 12	7/1/12 FY 13	7/1/13 FY 14
Employer Rate	9.75%	9.75%	10.75%	11.30%	11.85%	12.00%	12.00%	12.93%	14.26%	15.75%
Member Rate	6.50%	7.25%	7.25%	7.25%	7.25%	7.25%	9.00%	9.00%	9.00%	9.00%

For fiscal year 2017, the combined net assets of all the defined benefit plans administered by PERS increased by \$2,444 million, or 9.9%.

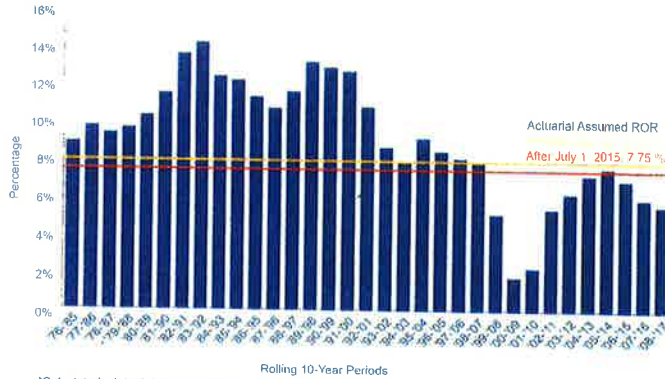
Investment Performance

Source: PERS Investments



Investment Annualized Rates of Return

Source: Callan Investment Measurement Service Quarterly Review for June 30, 2017



Historical Returns as of June 30, 2017

1-Year	14.96%
3-Year	6.34%
5-Year	10.08%
10-Year	5.58%
20-Year	6.73%
25-Year	7.94%
30-Year	8.34%

Excluding the MS Municipal Retirement System, the defined benefit plans administered by the System, PERS, MHSPRS, and SLRP, were actuarially funded at 61.1%, 68.1%, and 78.8% respectively as of June 30, 2017.

At June 30, 2017, the plans' net pension benefit liabilities were as follows (*in thousands).

	PERS*	MHSPRS*	SLRP
Total actuarial accrued liability	\$43,166,491	\$497,992	\$21,849
Actuarial value of Assets	<u>26,364,446</u>	<u>339,114</u>	<u>17,208</u>
Net Pension Liability	<u>\$16,802,045</u>	<u>\$158,878</u>	<u>\$ 4,641</u>

Funding policies for PERS, MHSPRS and SLRP provide for periodic employer contributions at actuarially determined rates that are adequate to accumulate sufficient assets to pay benefits when due. Actuarial valuations prepared as of June 30, 2017, the most recent valuation date, indicate that the unfunded (overfunded) accrued liability amortization periods of PERS, MHSPRS and SLRP are 38.4, 37.6 and 21.6 years, respectively, using an open amortization approach.

In October 2012, the Board of Trustees adopted a revised funding policy aimed at stabilizing the employer contribution rate that set the PERS rate at 15.75% and the SLRP rate at 7.4% effective July 1, 2013. The funding policy also established a goal for the PERS to be 80.0% funded by 2042. Under the revised funding policy, the volatility of the employer contribution rate will be reduced providing a predictable contribution rate for employers. The actuarial value of assets includes smoothing actuarial gains and losses over five years. The System incorporated the requirements of GASB Statement 67, *Financial Reporting for Pension Plans* beginning in its fiscal year-end 2014 financial reports which no longer requires a 30-year amortization period for the unfunded accrued liability.

PERS Actuarial Accrued Liability and Funded Ratio

2017 PERS Funded Ratio information not available until mid December 2017.

PERS Funded Ratio

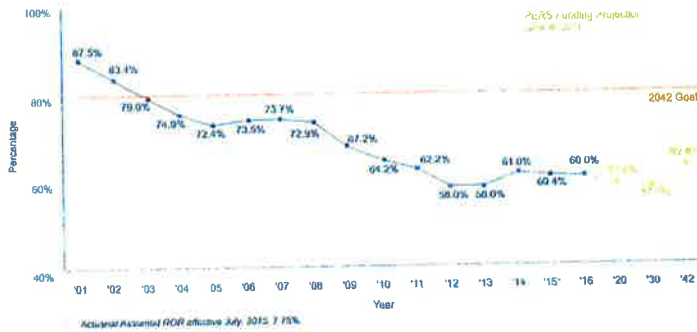
Source: PERS Actuarial Valuation Report

Funded Ratio: The ratio of the assets of a pension plan to its liabilities. The ratio is determined by dividing the actuarial value of assets by the actuarial accrued liability.

Below is the annual funded ratio of PERS since 2001 and the projected funded ratio with the 2012 revision of the PERS Funding Policy by the Board of Trustees, which set

a goal of being 80 percent funded by 2042. This projection assumes PERS will earn at an 7.75 percent rate of return on investments. Over the past 30 years, PERS has earned, on average, a 8.19 percent rate of return.

PERS Average Annual Benefit: \$22,607



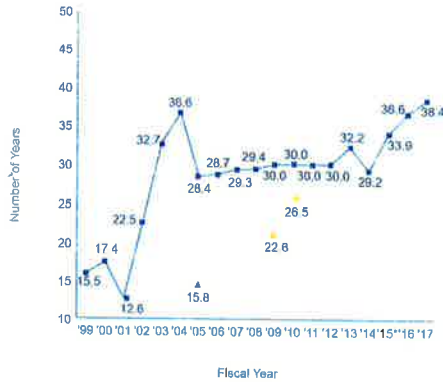
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PERS Amortization Period of Unfunded Accrued Liability

Source: PERS Actuarial Valuation Report

Amortization: Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump-sum payment.

Unfunded Accrued Liability: The difference between the actuarial accrued liability and valuation of assets.



Actuary estimate of UAL period without benefit improvements implemented 1999 - 2002 with the employer contribution rate at 9.75% and the member rate at 7.25%.
 Actuarial Assumed ROR effective July 2015: 7.75%

Source: PERS Facts & Figures - Data as of June 30, 2017, unless otherwise noted.

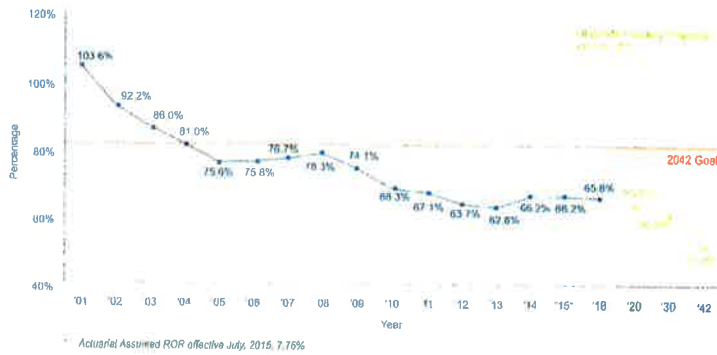
MS Highway Safety Patrol Retirement System (MHSPRS)

2017 MHSPRS Funded Ratio information not available until mid December 2017.

MS Highway Safety Patrol Retirement Plan Funded Ratio and Projection

Source: MHSPRS Actuarial Valuation Report

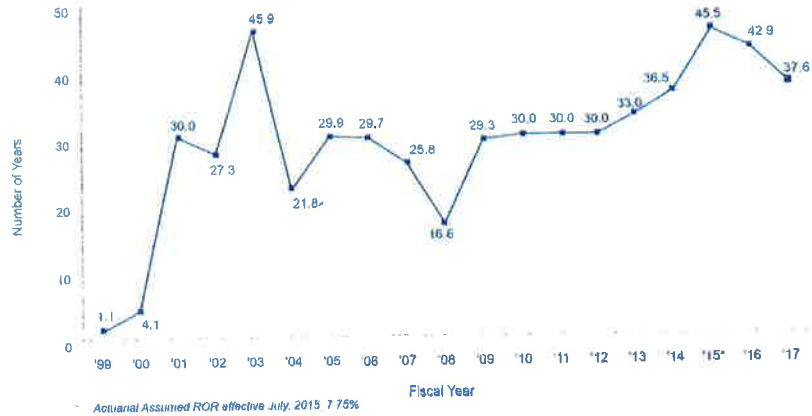
Actuarial Accrued Liability and Funded Ratio



Actuarial Assumed ROR effective July 2015: 7.76%

MS Highway Safety Patrol Retirement System (MHSPRS)

MHSPRS Amortization Period of Unfunded Accrued Liability



Source: MHSPRS Actuarial Valuation Report

Supplemental Legislative Retirement Plan (SLRP)

2017 SLRP Funded Ratio information not available until mid December 2017.

Actuarial Accrued Liability and Funded Ratio

Supplemental Legislative Retirement Plan Funded Ratio and Projection

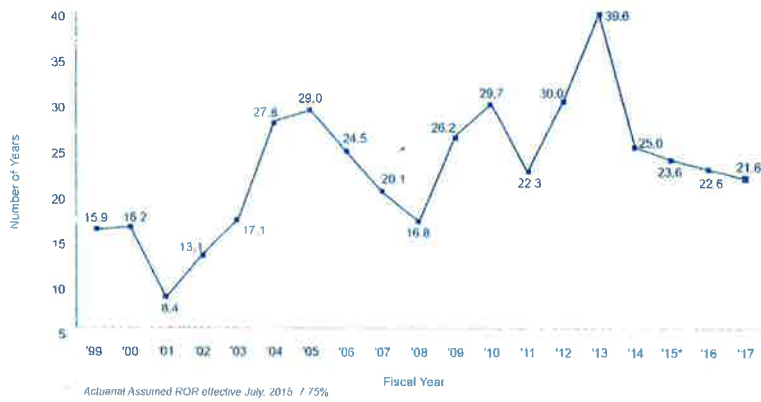
Source: SLRP Actuarial Valuation Report



Supplemental Legislative Retirement Plan (SLRP)

Source: SLRP Actuarial Valuation Report

SLRP Amortization Period of Unfunded Accrued Liability



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**PUBLIC EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
For Fiscal Year Ended June 30 (In Thousands)**

	2014	2015	2016	Unaudited 2017
Additions:				
Member Contribution	\$ 625,867	\$ 560,099	\$ 574,963	\$ 572,456
Employer Contributions	<u>1,005,219</u>	<u>1,030,028</u>	<u>1,055,072</u>	<u>1,062,147</u>
Total Contributions	1,631,086	1,590,127	1,630,035	1,624,603
Net Investment Income:				
Net Appreciation (Depreciation) in Fair Value Assets	3,654,142	362,760	(335,671)	3,037,548
Interest and Dividends	589,945	557,068	538,894	539,547
Securities Lending				
Net Appreciation in Fair Value		(2,128)	1,740	3,236
Interest Income on Securities Lending	19,133	18,525	23,152	37,318
Manager's Fees & Trading Costs	(83,449)	(88,884)	(89,116)	(95,916)
Interest Expense			(2,366)	(14,840)
Program Fees	<u>(2,680)</u>	<u>(2,619)</u>	<u>(3,097)</u>	<u>(3,381)</u>
Net Investment Income (Loss)	4,177,091	844,722	133,536	3,503,512
Other Revenues	268	75	35	36
Total Additions (Reductions)	<u>\$5,808,445</u>	<u>\$2,434,924</u>	<u>\$1,763,606</u>	<u>\$5,128,151</u>
Deductions:				
Retirement Annuities	2,263,161	2,284,168	2,433,505	2,544,382
Refunds to Terminated Employees	121,599	119,557	113,010	113,868
Administrative Expenses	13,454	14,119	15,764	17,624
Loss on Disposal of Equipment	0	0	0	0
Depreciation	778	571	509	8,572
Total Deductions	<u>\$ 2,398,992</u>	<u>\$ 2,418,415</u>	<u>\$ 2,562,788</u>	<u>\$ 2,684,446</u>
Net Increase (Decrease) in Plan Net Assets	3,409,453	16,509	(799,182)	2,443,705
Net Assets held in Trust for Pension Benefits Beginning of Year	<u>23,583,145</u>	<u>25,399,696</u>	<u>25,416,205</u>	<u>24,617,023</u>
End of Year	<u>\$26,992,598</u>	<u>\$25,416,205</u>	<u>\$24,617,023</u>	<u>\$27,060,728</u>

Source: State Auditor and Public Employees' Retirement System.

ORGANIZATION OF STATE GOVERNMENT

The State Constitution separates the legal powers of State government into three distinct branches, the legislative, the executive and the judicial.

Legislative Branch

Legislative power is vested in the Senate and the House of Representatives, which jointly comprise the Legislature of the State. The Senate is composed of 52 members, and the House of Representatives consists of 122 members. Each member of each chamber is elected to a four-year term.

The Legislature convenes annually on the first Tuesday after the first Monday in January. Regular sessions last 90 days in all years of an administration except for the first session after a new governor has been elected, when a 125-day session is held, which last occurred in January 2016. Any regular session may be extended by a concurrent resolution adopted by a 2/3 vote of the membership of both the House and the Senate. The Governor may convene the Legislature by a proclamation whenever, in the Governor's opinion, the public safety or welfare requires it, or upon written application of 3/5 of the members of each legislative body. The Legislature has the authority to enact legislation to complement the constitutional duties and powers of the executive branch of government.

Executive Branch

The Governor is vested with the chief executive powers of the State. The Governor is elected to a four-year term and may be elected for one additional four-year term. The Governor recommends to the Legislature, by message at the commencement of each session, the passage of such measures as the Governor deems appropriate; appoints, by and with the advice and consent of the Senate, certain officers of State government; may remit fines and penalties; grant reprieves, commute sentences, and grant pardons and paroles after convictions; and is Commander-in-Chief of the military forces of the State and, as such, may call out the National Guard to enforce laws, suppress insurrections and repel invasion.

Specific administrative functions are performed by the other statewide elected officials: the Lieutenant Governor, the Secretary of State, the Attorney General, the State Treasurer, the State Auditor, the State Insurance Commissioner and the State Commissioner of Agriculture and Commerce. For example, legal services are provided by the Attorney General; audit functions are performed under the direction of the State Auditor; and the Secretary of State maintains official records of the State, regulates the securities industry in the State and performs other statutory duties.

Other activities of State government are conducted through various boards and commissions created by the Legislature and accountable to either or both the legislative and executive branches. These include, among others:

(1) The Department of Transportation includes the State Highway Department, the Aeronautics and Rail Division, the weight inspection stations and portable scales from the Department of Revenue and the State Aid Engineer and the Division of State Aid Road Construction. The three elected members of the Mississippi Transportation Commission (one from each Supreme Court District of the State) select an executive director who serves as the administrative head of the Department of Transportation. The primary responsibilities of the department are the maintenance of highways and roads within the State and to promote the coordinated and efficient use of all available and future modes of transportation, to study means of encouraging travel and transportation of goods by the combination of motor vehicle and other modes of transportation. For operational purposes, the department is divided into six districts with maintenance and construction engineers in each district. However, certain functions, such as right-of-way acquisition, relocation assistance, bridge design, property control, research and development and testing are controlled at the departmental level. Other transportation related agencies are the Department of Public Safety and the Public Service Commission.

(2) Mississippi has a number of agencies that perform activities related to public health and welfare. Among those agencies are the State Department of Health, the Department of Human Services, the Department of Rehabilitation Services, the Division of Medicaid, Child Protective Services and the Parole Board. The Department of Health administers programs involving disease control, family health and environmental health. It also inspects sewer and water facilities, factories, food processing plants and conditions in State institutions. The Department of Human Services administers assistance payments to families of dependent children and makes determination of Medicaid eligibility. Additional services are provided through the Child Support, Food Assistance, Child Protective Services and Social Services Programs. The Office of Child Protective Services investigates reports of child abuse and administers the State's foster care system. The Division of Medicaid, within the Office of the Governor, administers the activities of all health related programs under Title XIX of the Social Security Act.

(3) The construction, maintenance and repair of State buildings are administered by the Office of Building, Grounds and Real Property Management, within the Department of Finance and Administration. In order to fulfill its responsibilities, pursuant to authority granted by the Legislature, the Office of Building, Grounds and Real Property Management has the authority to acquire real and personal property by lease or purchase and to exercise the right of eminent domain. Short and long-range public plans are subject to the approval of the Public Procurement Review Board of the Department of Finance and Administration.

(4) Under the supervision of three-elected commissioners, one from each Supreme Court district of the State, the Public Service Commission supervises and regulates various activities of utilities and motor carriers operating within the State. It has the authority and responsibility of prescribing rates and charges that will allow the utilities a fair and reasonable rate of return on investment under efficient operating conditions while protecting at all times the interest and welfare of the public. In the case of motor carriers, the Public Service Commission is charged with the responsibility of enforcing the provisions of the Motor Regulatory Act of 1938 on a fair and equitable basis by assuring that proper tags are purchased, that proper commodities are

transported at proper rates, that franchise provisions are strictly adhered to and that each carrier has full and adequate insurance coverage.

Judicial Branch

The Judicial Branch of State government consists of a Supreme Court, a Court of Appeals, Chancery District Courts and Circuit District Courts. The Supreme Court is an appellate court with members elected from three districts for terms of eight years. The Court of Appeals is an intermediate appellate court comprised of ten appellate judges, two elected from each congressional district, to serve for a period of eight years. There are 20 Chancery District Courts and 22 Circuit District Courts in the State, subject to change by the Legislature, with judges elected from each district for terms of four years. County Court judges in certain counties, and Justice Court judges in every county, are elected for four-year terms.

Local Governments

County and municipal governments and other political subdivisions have no sovereign powers in the State. In the State's counties and municipalities, the major sources of revenues are shared revenues from sales taxes and property taxes assessed on all local real and personal property, subject to certain exemptions. State agencies, however, provide various important services to political subdivisions, including the following: the State Department of Health works in an advisory capacity with local health departments; the State Department of Education provides guidance and aid for county and municipal Superintendents of Education; the Department of Transportation provides funding and technical assistance for county and urban road and bridge construction; and the Mississippi Development Authority (the "MDA") is authorized to provide many economic development services.

EDUCATION

Elementary/Secondary Education

Public Education in Mississippi has seen dramatic changes during the past 30 years, with the 1982 Education Reform Act serving to trigger much of that change. A statewide core curriculum has also been established, outlining objectives school districts are expected to include in their instruction. The State has been a leader in developing a performance-based accreditation model, with both schools and districts receiving an annual accreditation level. The State is home to the Mississippi School for Mathematics and Science, the fourth of its kind in the nation when it opened in 1988, which provides intensive training in math, science and technology to certain high school juniors and seniors. The Mississippi School of Fine Arts, which opened in the fall of 2003, offers certain high school juniors and seniors training in the various fine arts. During the 2015-2016 school year, public elementary schools (K-6) enrolled 272,139 students and public secondary schools enrolled 206,638 students. The enrollment for public elementary and secondary students was a combined total of 478,777 students. The State's public schools employed 32,230 full-time equivalent classroom teachers. State and local boards of education are responsible for governing public elementary and secondary education. At the State level, a nine-member State Board of Education administers these responsibilities. The State Superintendent of Education, appointed by the State Board of Education, serves as its secretary and chief operating officer.

Community Colleges

The State was the first state to establish a system of public two-year colleges and has 15 community colleges located on 34 campuses and centers in every area of the State. These two-year institutions offer university level courses of study as well as vocational and technical programs. There is a wide variety of specialized programs for industry start-up and industry training, which are offered Statewide. Total headcount enrollment (unduplicated) at the public community and junior colleges for 2015-2016 school year was 70,634. Public community colleges are governed by local boards of trustees, with State coordination by a ten member State Board for Community and Junior Colleges.

Universities and Colleges

Eight institutions of higher learning are supported by the State (included in this number is the University of Mississippi Medical Center whose numbers are reflected within those for the University of Mississippi. These institutions offer courses and programs statewide. The 2015-2016 academic year enrollment in the State supported institutions of higher learning was approximately 81,024. The State's eight institutions

of higher learning are administered by a 12 member Board of Trustees of State Institutions of Higher Learning and a Commissioner of Higher Education.

THE ECONOMY

Location and Geography

The State is centrally located in the southern region of the United States of America. It is bounded on the east by Alabama, on the north by Tennessee, on the west by the Mississippi River, which separates it from Arkansas and Louisiana, and by Louisiana and the Gulf of Mexico on its southern boundary. The State encompasses 47,715 square miles and ranks 32nd in physical size among the states. Jackson, located in the central part of the State, is the capital and the largest city.

The State has a temperate to subtropical climate. The temperature ranges from a high mean temperature throughout the State of 84.5 degrees during July to a low mean temperature of 45.6 degrees in January. The State has an average rainfall of 53.9 inches. The topography of the State ranges from flat to hilly, with a maximum elevation of 806 feet in the northeastern corner of the State.

The State's Economy (as of October 2017)

The Mississippi economy continues to lack momentum. According to preliminary estimates by the Bureau of Economic Analysis, (BEA) the Mississippi economy grew 0.8% in 2016. This gain followed a 0.3% gain in 2015, based on revised data. The 2016 gain, though modest, marks the largest annual growth in the Mississippi economy since the 2.2 percent increase in 2012. The State's annual GDP growth has exceeded 1% only once since 2008 (in 2012). Between 2009 and 2016, the Mississippi economy grew a total of 1.7%. During the same period, the national economy grew 14.1%. Annual job growth between 2009 and 2016 was 4.3% in the State and 9.9% in the nation. As of August, the State remains over 8 thousand jobs below the pre-recession peak of 2008.

The State added an average of 10,875 jobs in 2016 over 2015. The largest contributor to job gains was eating places, followed by retail trade. These were followed by health services, professional services and manufacturing. The largest decline occurred in the construction sector.

Real incomes grew 2.7% in 2016, up from the 1.4% in 2015. This gain was the strongest since the 2008 recession and only the third increase of more than 2.0% in that time. Despite the improvement, income growth remains below the National average. While the State's unemployment rate has fallen, many of the job gains have been in low-wage sectors. Beyond the income data as reported, a substantial number of Mississippians have historically worked in other states in the oil and gas sector. The jobs and incomes associate with these individuals are not counted in any data within the State, but much of their income is spent in the State. When oil prices collapsed many lost their job and those who kept their jobs took pay cuts. This has contributed to the sluggish growth in retail sales, sales tax, and the State's economy in general.

The Mississippi economy appears to be flat to slightly declining in 2017. While employment has risen 0.8% in the last three months, its growth for 2017 remains below the previous year's rate. Growth in income tax withholdings in the state remains largely flat. Although Mississippi building permits began 2017 on a strong note, this growth has dissipated and returned to the levels of a year ago.

Revenues from Mississippi's gaming sector have declined in 2017. In 2016 after adjusting for inflation the state's gaming sector experienced nearly flat growth. Through August of 2017, however, real gaming revenue for the coastal counties has fallen 2.4%, the river casinos have seen a 7.7% decline, and the net impact is a 4.7% decline in real gaming revenue for the state as a whole.

Short-Term Outlook

The national economy grew 1.2% in the first quarter of 2017 and improved to a 3.1% gain in real GDP in the second quarter. However, growth in the third quarter is expected to slow due to the impacts of Hurricanes Harvey and Irma before improving in the last quarter. The U.S. economy is projected to expand by around 2.2% for the year, fueled by improved job growth and disposable income. A growth rate of 2.2% would mark an improvement over the 1.5% increase observed in 2016. Current projections show growth strengthening modestly in 2018 but remaining in the 2.2-2.4% range over the next few years.

Like the nation, the State's economy is expected to make gradual improvement. Current projections have the 2017 State economy growing 1.2%. Growth is expected to improve slightly over the next few years but with projections for modest national growth, the State will likely remain below 2%.

State Economic Structure

About 83% of the State's roughly 1.1 million wage and salary workers are in service-producing industries and the remaining 17% are employed in goods-producing industries. Almost 78.6% of total nonfarm employment is in the private sector while government employs the remaining 21.4%. Nationally, the government represents slightly more than 15.5% of the workforce. Mississippi also depends relatively more on the manufacturing sector than the U.S. with 12.4% of employment concentrated in manufacturing compared to the national average of slightly less than 8.5%. Because of the strong linkages to the rest of the economy, the manufacturing sector is a driver of significant economic activity in other sectors in the State as well.

Economic Development

The MDA was created to improve the quality of life for Mississippians through the creation of productive employment opportunities and the enhancement of the State's tax base. To accomplish its mandate, MDA concentrates on recruiting new industries into the State, encouraging expansion of existing industries, expanding world markets for State products, seeking international business investment, assisting in the development of minority businesses, and providing training and retraining programs for the State's work force to meet the needs of today's business.

A variety of services are available to individuals and businesses to stimulate jobs and income growth in the State. MDA provides financial, management and technical assistance services. Some of these include tax incentives, loan programs and bond financing programs for industries, small businesses and agribusinesses.

Banking and Finance

There are 77 financial institutions in the State, consisting of 7 national chartered commercial banks, 4 federal chartered thrifts, and 66 state chartered commercial banks. The total number of branch offices is 1,180. Combined assets for these institutions as of June 30, 2017 totaled \$93,769,544,000.

There are 4 banks with assets exceeding \$10 billion. Three of these four banks are state chartered. Whitney Bank is the largest financial institution in the state and has assets of over \$26 billion.

There are 6 financial institutions with assets less than \$10 billion, but greater than \$1 billion. Total assets for the 10 largest institutions are \$73,189,206,000. This represents approximately 79% of banking assets in the State. Average asset growth over the past three years is 6%.

Manufacturing

The manufacturing sector is a leading employer in the State. Approximately 141,900 persons are employed in more than 2,400 manufacturing facilities. About one-fourth of these facilities have 100 or more employees and account for 80% of all manufacturing workers. The State has eighteen (18) manufacturing companies with 1,000 or more employees.

Every county in the State has a manufacturing facility. Hinds County has the largest number of manufacturing plants followed by Lee County, Rankin County, DeSoto County and Harrison County. The leading product groups in the State are apparel, electrical machinery and equipment, food products, furniture and fixtures, lumber and wood products and transportation equipment.

In November 2000, Nissan North America, Inc. ("Nissan") announced the location of a \$930 million automobile manufacturing facility in Madison County, Mississippi. In June 2002, while the original facility was still under construction, Nissan announced that it would expand the facility to 2.5 million square feet with an additional investment of \$500 million. When the plant began production, 2,040 people were employed and has grown to present employment of approximately 6,400. The 3.5 million-square-foot plant has a capacity to produce 400,000 vehicles per year.

In March 2007, Toyota Motor Engineering & Manufacturing North America, Inc. ("Toyota") announced its plans to locate a new manufacturing plant near the town of Blue Springs, Mississippi. Toyota directly employs approximately 2,000 and represents an \$800 million investment. Since the plant began production

during November of 2011, Mississippians have been successfully producing Toyota's best-selling model, the Corolla, for the U.S. market and is at full production today.

Huntington Ingalls Industries is the State's largest manufacturing employer through its shipyards located in Pascagoula and Gulfport. With current employment above 11,000, Huntington Ingalls Industries has an annual payroll of approximately \$580 million. The company develops and produces technologically advanced warships for the United States Navy, Coast Guard, Marine Corps and for foreign and commercial customers. It has operated in the State since 1938.

PACCAR, a global leader in the design and manufacture of premium light-, medium- and heavy-duty trucks, constructed its newest engine manufacturing and assembly plant on a 394-acre site in Lowndes County.

Yokohama selected West Point, Mississippi as the location for its new tire manufacturing facility opening the \$300 million commercial truck tire facility October 5, 2015, just a little over 24 months after breaking ground on the site. The modern, one-million-square-foot facility located on more than 500 acres of land has hired more than 260 employees and plans to eventually reach 500. The company plans to produce up to one million tires annually when running at full capacity.

Continental Tire The Americas, LLC, has begun construction of its commercial vehicle tire manufacturing plant in Hinds County, Mississippi and has committed to investing \$1.45 billion and creating 2,500 jobs and expects to begin production in 2020.

Tourism and Gaming

Since 1992, the total capital investment in the State by the gaming industry has exceeded \$4.5 billion. The gross gaming revenues for the 28 State-licensed casinos in fiscal year 2016 was \$2,107,117,794.93 and for the 28 State-licensed casinos in fiscal year 2017 was \$2,090,634,797.88. The State's gaming industry reported 16,740 State-licensed and casino hotel employees for the fourth quarter of fiscal year 2017. In addition, the Mississippi Band of Choctaw Indians employs an estimated 2,795 persons at its casino hotels.

According to the Mississippi Department of Revenue, gross gaming revenues for the first two months of fiscal year 2018 were \$355,806,056.

Agriculture and Forestry

Agriculture is one of the State's leading industries, employing approximately 17% of the State's workforce either directly or indirectly. Agriculture in the State is a \$6.88 billion industry with a \$12.7 billion economic impact each year. There are approximately 42,300 farms in the State covering 11 million acres. The average size farm is composed of 262 acres. Agriculture makes a significant contribution to all 82 counties. The primary agricultural products in Mississippi are poultry, forestry, soybeans, corn, rice, catfish, hay, cattle and calves, cotton, hogs, horticulture crops, mill, sweet potatoes, wheat and peanuts.

Forestry and forestry products contribute a total impact of \$17.4 billion to the State's economy. 19.8 million acres or about 65% of the total land in the State is devoted to forest production. Mississippi ranks number one in the nation in the number of certified tree farms with more than 3,200. The forestry sector, which includes pulp mills, paper mills, wood furniture, employs 25% of the State's manufacturing workforce.

Construction

The construction industry plays a powerful role in sustaining economic growth, in addition to producing structures that add to productivity and quality of life. In 2015, construction contributed \$5 billion (4.4%) of the State's GDP of \$107 billion, making construction's contribution to the State's GDP more than the industry's 4% share of United States GDP. Private non-residential construction spending in the State totaled \$2.5 billion in 2015 while nonresidential starts in the State totaled \$2.7 billion in 2014. Construction employment in August 2017 totaled 43,900. Construction worker's pay in the State averaged \$46,300, 25% more than all private sector employees in the State.

During the period 2011 through 2016, building permits issued for residential construction averaged 6,450 annually, with an average annual valuation of \$968 million. The following chart presents annual data for residential building activity.

RESIDENTIAL CONSTRUCTION BUILDING ACTIVITY
(Valuation in Millions)

Calendar Year	Building Permits(In Thousands)	Privately-Owned Housing Units Valuation (In Millions)	Contract Construction Employment (In Thousands)
2003	12.1	1,254.5	51.3
2004	13.6	1,399.3	50.6
2005	13.0	1,535.2	52.1
2006	15.6	1,891.0	53.0
2007	16.3	1,773.0	58.2
2008	10.0	1,119.3	57.5
2009	6.7	807.2	47.8
2010	4.8	646.3	50.2
2011	5.3	724.1	49.6
2012	6.0	836.5	45.8
2013	6.8	956.1	49.6
2014	6.9	1,033.1	49.0
2015	6.8	1,078.1	47.4
2016	6.9	1,181.9	45.3

Source: University Research Center, the U.S. Department of Commerce, Bureau of the Census, Building Permits Branch and the Bureau of Labor Statistics, Associated General Contractors of America.

Transportation

The Mississippi Department of Transportation ("MDOT") is the lead agency to meet the transportation needs of the State. MDOT is committed to providing a transportation system - a network of highways, airports, public transit systems, ports, weight enforcement offices and rail systems - that will provide for the safe and efficient movement of people and goods. Much of the success of the transportation system can be attributed to the AHEAD program enacted in 1987, which promises to link every Mississippian to a four-lane highway within 30 miles or 30 minutes. In the spring of 2002, the Mississippi Legislature enacted Vision 21 - MDOT's Proposed Highway Program for the 21st Century. This pay-as-you-go highway program has been and will continue to upgrade existing roadways or build new highways where they are needed most, without burdening the public with new taxes.

The State's public and private airports provide facilities for both commercial and private aircraft and play a vital part in the economic development of the small communities in the State. The mission of the MDOT Aeronautics Division is to assist airport owners in developing a safe and effective air transportation system in the State.

The State's public ports continue to play a vital role in the State's transportation system and the State's economy. Currently, there are 16 public ports in the State which include the State controlled Port of Gulfport in Harrison County and Yellow Creek State Inland Port in Tishomingo County. The remaining 14 ports are locally owned and operated. These ports contribute \$1.4 billion to the State economy, representing almost 3% of the State's GDP and including some 34,000 direct and indirect jobs paying \$765 million in wages and salaries. On average, over 47.7 million tons of cargo moved through the public and private terminals within the State's ports annually.

Mississippi has 2,542 miles of mainline railroad providing service between major centers throughout the State. This mileage is comprised of five Class-I Railroads (large rail systems extending from the Gulf of Mexico into Canada) and 24 Class-III Railroads (short intrastate rail systems) utilizing the Mississippi Rail System.

Population

According to the 2010 Census, the population of the State was 2,967,297.

TOTAL RESIDENT POPULATION FOR MISSISSIPPI AND THE UNITED STATES (In Thousands)

Calendar Year	Mississippi Population	Percent Change	United States Population	Percent Change
1970	2,217	1.80%	203,302	13.40%
1980	2,521	13.70	226,546	11.40
1990	2,577	2.10	249,440	10.10
2000	2,844	10.36	282,224	14.30
2001	2,856	.25	285,318	1.10
2002	2,863	.25	288,369	1.10
2003	2,874	.40	290,810	1.00
2004	2,893	.66	293,655	1.00
2005	2,908	.52	296,410	.93
2006	2,911	.10	299,398	1.00
2007	2,919	.27	303,809	1.47
2008	2,939	.69	305,800	1.00
2009	2,951	.40	307,007	.40
2010	2,967	.54	308,746	.60
2011	2,979	.40	311,592	.92
2012	2,985	.20	313,914	.75
2013	2,991	.20	316,129	.71
2014	2,994	.10	318,857	.87
2015	2,993	.03	321,419	.80
2016	2,988	.17	323,128	.53

Source: U.S. Department of Commerce, Bureau of the Census, Economic Research Service.

MISSISSIPPI RESIDENT POPULATION CHARACTERISTICS AND PERCENTAGE CHANGE BY CENSUS PERIOD (In Thousands of People)

Sector	1990	2000	2010	%Change 1970-1980	%Change 1980-1990	%Change 1990-2000	%Change 2000-2010
Urban	1,213.8	1,388.6	1,331.0	20.7%	1.6%	14.4%	(4.1)%
Rural Non-farm	1,307.2	1,409.7	1,591.1	28.4	5.0	7.8	12.9
Rural Farm	56.2	46.4	45.2	(67.6)	(33.7)	(17.4)	(2.6)
TOTAL/AVERAGE	2,577.2	2,844.7	2,967.3	13.6%	2.1%	10.4%	4.3%

Source: U.S. Department of Commerce, Bureau of the Census.

Employment

The service producing industries are the leading employers within the State employing 947,300 people or 82% of total non-agricultural employment as of August 2017. Other large employment sectors are government, trade and transportation, and manufacturing with each employing 239,300, 229,100, and 142,900, respectively, as of August 2017. Within the goods producing industry, the durable goods segment of the industry employed 94,600 and the nondurable goods segment employ 48,300. The leading manufacturers by product category are transportation equipment which includes ship building (46,200), food manufacturing (23,200) and furniture manufacturing (18,700). Although its importance has declined, agriculture continues to contribute significantly to the State's economy. The total employment in agriculture as of August 2017 was 32,600.

TEN LARGEST MISSISSIPPI MANUFACTURING EMPLOYERS⁽¹⁾

Manufacturer	Major Product	2016 Employment
Huntington Ingalls Industries	Ship Building	11,300
Nissan North America	Automobile Assembly	6,300
Sanderson Farms, Inc.	Processed Poultry	4,850
Howard Industries	Electronics	3,500
Cal-Maine Foods, Inc.	Poultry Egg Producer	2,872
Koch Foods of Mississippi, LLC	Poultry Processing	2,500
Ashley Furniture Industries	Furniture Manufacturing	2,264
United Furniture Industries	Furniture Manufacturing	2,000
VT Halter Marine	Ship Building	1,700
Cooper Tire & Rubber Co.	Tire Manufacturing	1,625

⁽¹⁾ Number of employees is based on an annual estimate by each employer as a part of a survey conducted by MDA and reflects actual direct employees without contractors or temporary workers employed by a third party.

Source: Mississippi Development Authority, Existing Industry and Business Division, Manufacturers Cross-Match Program 2017, Mississippi Business Journal.

RECENT MISSISSIPPI LABOR FORCE STATISTICS
(In Thousands of People)

Year/ Month	Civilian Labor Force	Total Employed	Unemployment Rate
2000	1,326.4	1,251.1	5.7
2001	1,305.3	1,233.9	5.5
2002	1,298.0	1,209.8	6.8
2003	1,312.1	1,229.0	6.3
2004	1,330.2	1,248.1	6.2
2005	1,343.2	1,237.2	7.9
2006	1,316.5	1,220.5	7.3
2007	1,317.9	1,234.1	6.4
2008	1,326.6	1,234.3	7.0
2009	1,300.3	1,176.8	9.5
2010	1,575.6	1,411.3	10.4
2011	1,344.6	1,203.6	10.5
2012	1,336.9	1,216.3	9.0
2013	1,299.1	1,194.2	8.7
2014	1,228.2	1,135.5	7.6
2015	1,163.6	1,187.3	6.5
2016	1,286.1	1,208.5	6.0
2017			
Jan	1,291.3	1,219.8	5.5
Feb	1,297.9	1,229.9	5.2
March	1,302.7	1,236.9	5.1
April	1,306.2	1,241.5	5.0
May	1,303.2	1,239.0	4.9
June	1,296.6	1,231.2	5.0
July	1,289.0	1,221.6	5.2
August	1,283.1 ⁽¹⁾	1,214.9 ⁽¹⁾	5.3 ⁽¹⁾

⁽¹⁾ Preliminary.

Source: U.S. Department of Labor Bureau of Labor Statistics, October 2017.

MISSISSIPPI ANNUAL EMPLOYMENT STATISTICS
(In Thousands of People)

	2013	2014	2015	2016	August 2017
Civilian labor force	1,286.4	1,252.2	1,267.7	1,280.4	1,283.1
Total employment	1,175.7	1,156.6	1,188.1	1,205.8	1,214.9
Agricultural ⁽¹⁾	35.3	23.7	32.6	32.3	32.6
Non-agricultural	1,111.9	1,119.1	1,126.8	1,150.4	1,153.5
All Other	28.5	13.8	28.7	23.1	28.8
Unemployment Rates					
Mississippi	8.6	7.7	6.3	5.8	5.3
United States	7.4	5.9	5.1	4.9	4.4
By Place of Employment					
Non-Agricultural	1,111.9	1,119.1	1,126.8	1,150.4	1,140.9
Manufacturing	136.5	141.7	140.8	143.1	142.9
Durable goods	90.0	94.7	93.6	95.0	94.6
Wood Product	8.7	8.9	8.5	8.9	9.1
Furniture & Related Products	17.4	18.1	18.4	18.9	18.7
Metal Products	9.8	10.0	9.7	10.0	9.8
Machinery Manufacturing	12.2	11.9	12.3	11.8	11.7
Electrical Equipment & Appliance	10.7	6.2	6.4	6.4	6.2
Transportation Equip ⁽²⁾	41.6	43.4	46.8	45.2	46.2
Nondurable goods	46.5	47.0	47.2	48.1	48.3
Food	22.0	21.8	22.0	23.0	23.2
Paper	3.8	3.6	3.6	3.9	3.9
Plastics & Rubber	5.8	6.1	6.1	6.8	6.9
Service Producing					
Industries	877.0	920.5	932.1	955.7	947.3
Mining ⁽³⁾	9.2	9.6	8.6	6.8	6.8
Construction	51.5	49.6	45.3	44.8	43.9
Information	12.6	12.3	13.5	12.1	12.2
Trade & Transportation	217.0	218.1	221.7	228.5	229.1
F.I.R. ⁽⁴⁾	44.7	43.9	44.4	44.0	44.1
Government	242.9	245.0	245.3	247.8	239.3
Education & Health Services ⁽⁵⁾	131.3	136.6	135.5	141.0	139.7
Leisure & Hospitality	127.4	126.9	131.6	134.1	135.9
Professional & Business	106.1	99.7	102.5	108.0	106.9
Other Services	37.7	38.0	37.6	40.2	40.1

⁽¹⁾ Mississippi Agricultural Statistics.

⁽²⁾ Motor Vehicle Parts, Ship and Boat Building.

⁽³⁾ Natural Resources and Mining.

⁽⁴⁾ Finance, Insurance, Real Estate and Rental.

⁽⁵⁾ Education, Health Care and Social Assistance.

Source: Mississippi Department of Employment Security, State & Metro Trends, www.mdes.ms.gov October 2017.

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Income

Services, government, trade and transportation, and manufacturing employment represent the largest components of earned personal income in the State.

COMPARISON OF MISSISSIPPI AND UNITED STATES PER CAPITA INCOME

Year	Mississippi	United States	Mississippi as a Percentage of United States
2000	\$20,920	\$29,760	70.3%
2001	21,653	30,413	71.2
2002	22,417	30,899	72.6
2003	23,466	31,472	74.6
2004	24,650	32,937	74.8
2005	25,318	34,586	73.2
2006	26,535	36,276	73.1
2007	28,845	38,611	74.7
2008	29,922	39,928	74.9
2009	30,103	39,138	76.9
2010	31,186	40,584	76.8
2011	31,882	41,415	77.0
2012	33,657	43,735	77.0
2013	34,478	44,543	77.4
2014	34,333	46,129	74.4
2015	34,771	47,669	72.9
2016	35,936	49,571	72.5

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, last updated May 2017, <http://www.bea.gov/regional/beatfacts>.

MISSISSIPPI PERSONAL INCOME STATISTICS (Rounded in Millions of Dollars)

	2013	2014	2015	2016	Preliminary 2017 ⁽¹⁾
Total Personal Income (by place of residence)	\$103,132	\$102,795	\$104,045	\$106,053	\$108,203
Earnings by Industry					
Farm	1,939	1,343	1,128	995	1,777
Agricultural Services ⁽¹⁾	572	689	524	535	539
Mining	1,462	1,388	1,199	861	824
Utilities	822	800	832	885	897
Construction	4,907	4,391	4,054	3,909	3,928
Manufacturing	8,430	8,441	8,696	8,904	9,010
Wholesale Trade	2,433	2,403	2,514	2,524	2,624
Retail Trade	4,916	4,966	5,122	5,333	5,422
Transportation and Warehousing	2,748	2,731	2,532	2,637	2,738
Information	844	820	809	748	725
Finance and Insurance	2,606	2,713	2,522	2,497	2,475
Real Estate, Rental and Leasing	906	1,023	893	862	881
Professional, Scientific and Technical Services	2,843	2,805	2,981	3,008	3,075
Management of Companies and Enterprises	1,019	986	1,032	1,059	1,075
Administrative and Waste Services	2,352	2,325	2,423	2,418	2,396
Educational Services	756	738	722	723	744
Health Care & Social Assistance	7,301	7,186	7,453	7,636	7,898
Arts, Entertainment and Recreation	319	341	282	349	287
Accommodation and Food Service	2,692	2,663	2,718	2,833	2,887
Other Services except Public Administrative	2,600	2,685	2,757	2,775	2,837
Government and Government Enterprises	14,455	14,344	14,930	15,212	15,486

(1) Agricultural services include forestry, fishing and related activities.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, September 2017.

UNITED STATES PERSONAL INCOME STATISTICS
(Rounded in Billions of Dollars)

	2013	2014	2015	2016	Prelim. 2017 ⁽¹⁾
Total Personal Income (by place of residence)	\$14,081.2	\$14,708.6	\$15,464.0	\$15,912.8	\$16,294.7
Earnings by Industry					
Agricultural, Forestry, Fishing, and Hunting ⁽¹⁾	112.6	135.1	33.6 ⁽¹⁾	104.6	107.9
Mining	176.3	179.5	166.3	110.7	124.4
Utilities	82.8	84.0	86.3	88.6	90.2
Construction	561.6	604.0	640.3	680.3	704.5
Manufacturing	988.3	1,017.5	1,056.0	1,059.2	1,074.7
Wholesale Trade	520.6	537.5	560.1	561.3	572.5
Retail Trade	600.3	635.7	656.6	675.3	693.5
Transportation and Warehousing	343.0	358.5	399.0	410.5	428.6
Information	326.8	350.2	372.2	385.4	394.6
Finance, Insurance, Real Estate, Rental and Leasing	712.4	976.9	1,006.6	1,017.2	1,038.3
Professional and Business Services	1,018.8	1,060.8	1,124.8	1,157.7	1,190.1
Educational Services, Health Care & Social Assistance	1,287.9	1,333.6	1,398.6	1,457.3	1,501.7
Arts, Entertainment, Recreation, Accommodation and Food Services	430.1	452.3	498.3	387.8	538.3
Other Services except Government	368.5	392.7	406.5	417.6	428.8
Government	1,715.7	1,750.3	1,834.3	1,883.5	1,922.3

⁽¹⁾ 2017 data consists only of two reporting quarters.

⁽²⁾ Data consists only of forestry, fishing and related activities.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, last revised on September 2017.

MISSISSIPPI GROSS TAXABLE SALES⁽¹⁾
For Fiscal Year Ended June 30
(In Millions of Dollars)

Industry Group	2009	2010	2011	2012	2013
Automotive	\$5,023.8	\$4,864.0	\$5,443.9	\$5,903.8	\$6,282.4
Machinery	2,656.0	2,380.9	2,705.0	3,099.3	3,578.6
Food & Beverage	7,658.4	7,712.5	7,889.1	8,193.2	8,449.3
Furniture	859.0	874.4	864.5	865.4	853.7
Gen. Merchant	7,697.2	7,496.0	7,592.4	7,732.8	7,896.8
Lumber	2,370.9	2,510.4	2,587.4	2,574.4	2,672.8
Misc. Retail	3,567.7	3,339.7	3,453.4	3,591.9	3,715.8
Misc. Services	2,829.5	2,580.1	2,796.3	2,719.8	2,683.2
Utilities	4,383.7	4,299.6	4,174.7	4,126.4	4,369.8
Contracting	7,771.2	6,088.3	5,694.5	5,418.9	5,353.8
Wholesale	763.5	756.6	785.3	800.0	816.1
Recreation	136.4	144.9	145.5	152.7	153.1
Total Taxable Sales	<u>\$46,217.2</u>	<u>\$43,047.4</u>	<u>\$44,132.1</u>	<u>\$45,178.7</u>	<u>\$46,825.5</u>

Source: Mississippi Department of Revenue, Fiscal Years 2009-2013.

⁽¹⁾ As of October 2013, Mississippi Department of Revenue converted to new computing technology used for accounting of sales tax. See page 52 for post 2013 years' data.

MISSISSIPPI GROSS TAXABLE SALES⁽¹⁾
For Fiscal Year Ended June 30
(In Millions of Dollars)

Industry Group	2014	2015	2016	Unaudited 2017
Agriculture, Forestry, Fishing and Hunting	\$ 11.4	\$ 11.8	\$ 16.6	\$ 19.4
Mining, Quarrying, and Oil & Gas Extraction	412.7	398.3	170.3	156.9
Utilities	1,439.0	1,271.3	1,147.2	1,226.2
Construction	5,716.0	5,461.1	4,994.2	5,229.6
Manufacturing	896.0	783.1	797.1	878.1
Retail Trade	25,048.8	25,605.0	26,582.7	28,720.8
Wholesale Trade	3,658.2	3,624.3	3,577.7	3,950.9
Information	2,635.7	2,706.5	2,696.7	2,760.0
Professional, Scientific & Technical Services	147.0	162.6	191.1	212.1
Management of Companies & Enterprises	.3	.3	.2	.2
Administrative, Support, Waste Management	335.2	361.7	391.2	443.8
Educational Services	4.6	.1	.1	.5
Health Care & Social Asst.	2.5	2.9	2.9	10.3
Arts, Entertainment, Recreation	125.0	122.8	123.1	149.1
Accommodation & Food Serv	4,590.8	4,802.4	5,069.4	8,798.2
Other Services	1,335.8	1,389.6	1,489.7	1,600.9
Public Administration	66.4	62.6	57.8	72.4
Finance & Insurance	47.0	50.6	54.4	77.6
Transportation & Warehousing	51.1	49.0	44.1	53.8
Real Estate, Rental & Leasing	862.6	929.1	946.1	1,183.0
Total Taxable Sales	<u>\$47,386.1</u>	<u>\$47,795.1</u>	<u>\$48,352.5</u>	<u>\$55,543.8</u>

⁽¹⁾ On October 7, 2013, accounting for sales tax converted to new computing technology. As part of that conversion, the Mississippi Department of Revenue's system for collecting sales tax data by industry type changed. Prior to Fiscal Year 2014, the Mississippi Department of Revenue used the Standard Industrial Classification (SIC) System to classify and organize industries. However, with the implementation of new technology, Mississippi Department of Revenue began using the North American Industry Classification System (NAICS) when classifying industry types for sales tax collections. NAICS was developed in 1997 by the federal government and replaced the Standard Industrial Classification (SIC) System throughout the United States as the primary system for collecting statistical data. As a result of the conversion, the previous Fiscal Year data included in prior year sales tax reports are not comparable to earlier reports.

Source: Mississippi Department of Revenue, Fiscal Years 2014-2017.

RATINGS

Fitch Ratings ("Fitch"), Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Financial Services LLC ("S&P"), have assigned ratings of "_____" "_____" and "_____" respectively, to the Series 2017 Bonds. An explanation of the significance of such ratings may be obtained from the agencies which assigned the ratings.

There is no assurance that present or future ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies, if in the judgment of any or all of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of any or all of such ratings may have an adverse effect on the market price of the Series 2017 Bonds.

A securities rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time.

CONTINUING DISCLOSURE

Securities and Exchange Commission ("SEC") Rule 15c2-12 (the "Rule"), which was originally adopted by the SEC in 1989 under the Securities Exchange Act of 1934, sets forth certain disclosure requirements relating to a primary offering of municipal securities. The Rule requires that, prior to purchasing or selling municipal securities, brokers, dealers, and municipal securities dealers must reasonably determine that the issuer of such municipal securities, together with any other "obligated persons," within the meaning of the Rule, have entered into an undertaking for the benefit of bondholders to make certain information available to bondholders on a continuing basis. The State is an "obligated person" with respect to the Series 2017 Bonds within the meaning of the Rule.

The State will enter into written undertakings for the benefit of the bondholders for the Series 2017 Bonds to deliver, or cause to be delivered, to (a) the Municipal Securities Rulemaking Board (the "MSRB") through MSRB's Electronic Municipal Market Assess system at <http://emma.msrb.org> ("EMMA") in the electronic format then prescribed by the SEC pursuant to the Rule, and (b) any public or private repository or entity designated by the State as a State repository, if any, for the purposes of the Rule, the information described in the undertaking, including, but not limited to, annual financial reports and notices of certain material events, together with any identifying information or other information then required to accompany the applicable filing. This information will be made available free to securities brokers and others through EMMA. For the procedures for all filings and notices due to the MSRB, instructions will be provided on the following website for MSRB: <http://emma.msrb.org>.

For a summary of the State's undertakings, see "APPENDIX C - FORMS OF CONTINUING DISCLOSURE CERTIFICATES".

The State is current in all material respects with its previous continuing disclosure undertakings under the Rule. However, there have been some instances in the previous five years in which the State filed its annual undertakings late. The State's CAFR for fiscal year 2011 was filed with EMMA on May 30, 2012. In addition, due to the change in the State's accounting system (see "FISCAL OPERATIONS OF THE STATE - Accounting Systems" herein), although the State's unaudited financial statement was filed timely along with its annual report, the State's CAFR for fiscal year 2015 was not filed on EMMA until May 31, 2016. Likewise, the State has in the past failed to timely file certain event notices such as ratings changes and refunding notices and has also on occasion failed to link its filings to all of its CUSIPs. The State has taken steps to ensure that it will timely comply with all undertakings in the future. Specifically, the State has approved a "State of Mississippi Debt Management Policy" which provides detailed procedures for the timely filing of continuing disclosure by the State. Also, the State has engaged FSC Continuing Disclosure Services, a Division of Hilltop Securities, Inc., Dallas, Texas, as dissemination agent to assist with compliance with the terms of its undertakings.

LITIGATION

The Attorney General's Office has reviewed the status of pending litigation involving the State. The State is party to various legal proceedings that arise in the normal course of governmental operations.

It is anticipated, regardless of the ultimate outcome of any litigation, that neither the courts nor the Mississippi Legislature will act inconsistently with the State's financial ability to pay all outstanding bonded indebtedness and the interest thereon. It is not anticipated that the ultimate outcome of any or all of the pending litigation will result in obligations exceeding the financial resources of the State, so that in all events it is reasonable to expect that the State will remain in a sufficiently viable financial position to meet all of these obligations, including, but not limited to, the Series 2017 Bonds provided the same are issued, sold and delivered. To predict with any degree of accuracy the ultimate outcome of any litigation would be conjectural.

VALIDATION

Prior to issuance, the Series 2017 Bonds will be validated before the Chancery Court of the First Judicial District of Hinds County, Mississippi, as provided in Sections 31-13-1 *et seq.*, Mississippi Code of 1972, as amended.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incident to the authorization and issuance of the Series 2017 Bonds are subject to the approving legal opinions of Jones Walker LLP, Jackson, Mississippi, Bond Counsel, whose approving legal opinions will be available at the time of delivery of the Series 2017 Bonds (see APPENDIX E, herein). Certain legal matters with respect to the State will be passed upon by the State Attorney General, Jim Hood, Esq. (see APPENDIX D, herein).

FINANCIAL ADVISOR

The State has retained Hilltop Securities, Inc., Dallas, Texas, as independent municipal advisor (the "Financial Advisor") in connection with the sale and issuance of the Series 2017 Bonds. In such capacity the Financial Advisor has provided recommendations and other financial guidance to the State with respect to the preparation of documents, the preparation for the sale of the Series 2017 Bonds and of the time of the sale, tax-exempt and taxable bond market conditions and other factors related to the sale of the Series 2017 Bonds. Although the Financial Advisor performed an active role in the drafting of this Official Statement, it has not independently verified any of the information set forth herein.

TAX MATTERS

The Series 2017D Bonds

The Internal Revenue Code of 1986, as amended and supplemented (the "Code"), includes requirements which the State must continue to meet after the issuance of the Series 2017D Bonds in order that interest on the Series 2017D Bonds not be includable in gross income for federal income tax purposes. The State's failure to meet these requirements may cause interest on the Series 2017D Bonds to be includable in gross income for federal income tax purposes retroactive to its date of issuance. The State has covenanted in the Series 2017D Bonds Resolution and certain certificates to comply with the requirements of the Code in order to maintain the excludability of interest on the Series 2017D Bonds from gross income for federal income tax purposes.

In the opinion of Bond Counsel, assuming compliance by the State with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, interest on the Series 2017D Bonds is excludable from gross income for federal income tax purposes. Interest on the Series 2017D Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2017D Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations.

Bond Counsel is further of the opinion that under existing laws, regulations, rulings, and judicial decisions, interest on the Series 2017D Bonds is exempt from income taxation in the State.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2017D Bonds. Ownership of tax-exempt obligations such as the Series 2017D Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations, certain S corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2017D Bonds should consult their tax advisors as to the applicability and impact of any such collateral consequences.

Future Legislation

The federal government is considering various legislative proposals for reducing the federal budget deficit and the federal debt and promoting economic growth, and some of these proposals, if enacted, could affect the tax-exempt status of state and local bonds, such as the Series 2017D Bonds. Owners of the Series 2017D Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the environmental tax, the branch profits tax and the tax on passive investment income of corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2017D Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007, to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The new reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2017D Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

The Series 2017E Bonds

INTEREST ON THE SERIES 2017E BONDS SHOULD BE TREATED AS INCLUDABLE IN GROSS INCOME OF THE HOLDERS THEREOF FOR FEDERAL INCOME TAX PURPOSES.

In the opinion of Bond Counsel, under existing laws, regulations, rulings, and judicial decisions, interest on the Series 2017E Bonds is exempt from income taxation in the State.

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of the predictions and estimates will be realized.

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Series 2017 Bonds, the security for the payment of the Series 2017 Bonds and the rights and obligations of the registered owners thereof.

References herein to the Resolutions, the State's Constitution, the Act, and all other legislative acts referred to herein are only summaries, excerpts or brief outlines of certain provisions thereof and do not purport to summarize or describe all provisions thereof. Additional information may be obtained upon request from the **Office of the State Treasurer**, 1101 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi, 39201, (601) 359-3600, Attention: Mr. Jesse Graham, Deputy Treasurer, or from the **Department of Finance and Administration**, 1301 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi 39201, (601) 359-3160, Attention: Mr. Steven McDevitt, Director, Bond Advisory Division.

The execution of this Official Statement has been duly authorized by the Commission.

STATE OF MISSISSIPPI

By: Phil Bryant
Phil Bryant, Governor

By: Jim Hood
Jim Hood, Attorney General

By: Lynn Fitch
Lynn Fitch, State Treasurer

Prepared by: Office of the State Treasurer
1101 Woolfolk Building, Suite A
501 North West Street
Jackson, Mississippi 39201
(601) 359-3600

Department of Finance and Administration
1301 Woolfolk Building, Suite A
501 North West Street
Jackson, Mississippi 39201
(601) 359-3160

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APPENDIX A

Debt Service on the Series 2017D Bonds

Debt Service on the Series 2017E Bonds

General Fund Cash Flow by Months

DEBT SERVICE ON THE SERIES 2017D BONDS

\$52,825,000
STATE OF MISSISSIPPI
GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

Fiscal Year Ending June 30	Principal	Interest	Total Principal & Interest
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
Total			

DEBT SERVICE ON THE SERIES 2017E BONDS

**\$45,225,000
STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION BONDS,
SERIES 2017E**

Fiscal Year Ending June 30	Principal	Interest	Total Principal &
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			

GENERAL FUND CASH FLOW BY MONTHS

January 2006 through September 2017
(In Millions of Dollars)

	Beginning Balance	Receipts	Disbursements	Ending Balance	Borrowing from Special Funds	Borrowing from Working Cash Balance Revolving
2006						
January	\$ 207.4	\$ 350.6	\$ 315.0	\$ 218.0	\$ (25.0)	\$.0
February	218.0	289.5	368.1	176.4	37.0	.0
March	176.4	410.9	371.9	293.2	67.8	.0
April	283.2	469.3	269.9	254.5	(200.0)	(1.1)
May	254.5	532.2	362.9	258.6	.0	(165.2)
June	258.6	582.1	462.8	331.8	(50.0)	3.9
July	331.8	255.7	398.1	263.3	70.0	3.9
August	263.3	325.8	368.5	340.6	120.0	.0
September	313.9	432.1	596.6	373.4	224.0	.0
October	373.4	418.1	443.6	294.3	.0	(53.6)
November	294.3	333.4	360.3	267.4	.0	.0
December	267.4	353.1	293.7	286.5	(40.3)	.0
2007						
January	286.5	275.4	338.9	223.0	.0	.0
February	223.0	287.8	341.5	169.3	.0	.0
March	169.3	415.9	450.9	54.3	(80.0)	.0
April	54.3	509.1	286.5	126.9	(150.0)	.0
May	126.9	398.7	309.2	96.4	(90.0)	(30.0)
June	96.4	639.2	292.7	415.3	.0	(27.6)
July	415.3	255.3	545.8	124.8	.0	.0
August	124.8	336.3	442.1	93.4	16.0	58.4
September	93.4	477.4	453.3	117.5	.0	.0
October	117.5	416.3	649.3	54.5	170.0	.0
November	54.5	338.1	381.2	66.2	(136.0)	190.8
December	66.2	384.4	332.7	117.9	.0	.0
2008						
January	117.9	393.7	436.6	75.0	.0	.0
February	75.0	280.6	446.8	109.6	200.0	.8
March	109.6	445.7	432.5	72.8	(50.0)	.0
April	72.8	539.9	413.7	199.5	.0	.5
May	199.5	412.4	456.7	55.2	(100.0)	.0
June	55.2	646.8	336.0	87.8	(100.0)	(249.5)
July	87.8	263.2	509.0	92.0	.0	250.0
August	92.0	368.9	531.4	150.1	125.0	95.6
September	150.1	453.6	389.4	214.3	.0	.0
October	214.3	421.8	542.0	94.1	.0	.0
November	94.1	357.7	378.5	73.3	.0	.0
December	73.3	366.7	358.2	111.1	25.0	4.3
2009						
January	111.1	369.8	431.0	124.9	75.0	.0
February	124.9	268.3	423.6	154.7	185.0	.0
March	154.7	447.6	444.6	157.7	.0	.0
April	157.7	475.6	354.7	178.7	(100.0)	.0
May	178.7	366.7	331.2	114.2	(100.0)	.0
June	114.2	769.8	307.6	16.5	(300.0)	(259.9)
July	16.5	277.2	483.6	161.1	105.0	246.0
August	161.1	338.7	454.3	180.6	150.0	(15.0)
September	180.6	411.0	436.4	155.2	0.0	0.0
October	155.2	395.2	486.5	63.9	0.0	0.0
November	63.9	335.8	335.5	64.2	0.0	0.0
December	64.2	350.5	313.5	131.3	160.0	(130.0)
2010						
January	131.3	323.1	333.7	120.4	0.0	(0.175)
February	120.4	270.4	360.9	155.0	125.0	0.0
March	155.0	464.6	451.9	117.7	(50.0)	0.0
April	117.7	486.8	323.1	120.9	(160.5)	0.0
May	120.9	356.3	261.6	95.6	(120.0)	0.0

	Beginning Balance	Receipts	Disbursements	Ending Balance	Borrowing from Special Funds	Borrowing from Working Cash Balance Revolving
June	95.6	578.1	264.7	98.8	(79.5)	(230.8)
July	98.8	251.9	375.2	125.5	0.0	150.0
August	125.5	337.3	390.5	152.8	0.0	80.5
September	152.8	410.6	419.8	143.6	0.0	0.0
October	143.6	402.3	493.0	52.8	0.0	0.0
November	52.8	326.0	403.1	180.6	178.4	26.5
December	180.6	350.9	296.2	180.9	(54.4)	0.0
2011						
January	180.9	333.1	349.6	164.5	0.0	0.0
February	164.5	234.1	333.4	160.1	95.0	0.0
March	160.1	472.3	403.4	229.1	0.0	0.0
April	229.1	529.2	360.9	177.9	(219.0)	(0.5)
May	177.9	357.3	358.5	176.6	0.0	0.0
June	176.6	597.2	366.9	150.5	(91.0)	(165.5)
July	150.5	245.3	387.2	128.6	0.0	120.0
August	128.6	340.3	416.0	109.4	0.0	56.5
September	109.4	451.7	429.2	131.9	0.0	0.0
October	131.9	423.0	579.9	-25.1	0.0	0.0
November	-25.1	335.2	313.9	256.3	260.0	0.0
December	256.3	363.5	304.1	315.6	0.0	0.0
2012						
January	315.6	349.1	384.1	124.7	(156.0)	0.0
February	124.7	261.8	422.6	128.9	165.0	0.0
March	128.9	517.6	361.1	135.4	(160.0)	0.0
April	135.4	545.3	359.4	121.3	(200.0)	0.0
May	121.3	389.9	357.3	103.9	(7.0)	(43.0)
June	103.9	648.9	512.5	194.9	0.0	(45.5)
July	194.9	268.8	410.4	193.9	40.0	100.6
August	193.9	330.8	420.4	104.4	0.0	0.0
September	104.4	429.8	411.1	123.1	(100.6)	100.6
October	123.1	465.5	498.2	90.4	0.0	0.0
November	90.4	337.2	417.4	260.2	0.0	250.0
December	260.2	384.9	328.7	316.5	0.0	0.0
2013						
January	316.5	365.3	395.4	136.4	(150.0)	0.0
February	136.4	292.2	344.3	84.3	0.0	0.0
March	84.3	506.4	432.8	157.9	0.0	0.0
April	157.9	516.2	435.2	238.3	0.0	(0.5)
May	238.4	564.7	370.9	422.2	0.0	0.0
June	422.2	666.8	362.0	487.0	0.0	(240.1)
July	487.0	275.1	477.3	284.8	0.0	0.0
August	284.8	383.6	464.5	203.9	0.0	0.0
September	203.9	494.9	885.4	94.9	0.0	281.5
October	94.9	454.0	424.9	123.5	0.0	(0.5)
November	123.5	349.3	428.8	44.0	0.0	0.0
December	44.0	455.0	315.0	344.0	160.0	0.0
2014						
January	344.0	347.4	397.4	134.0	(160.0)	0.0
February	134.0	371.6	360.3	145.3	0.0	0.0
March	145.3	539.1	471.2	213.3	0.0	0.0
April	213.3	584.3	432.2	364.9	0.0	(0.5)
May	364.9	468.37	407.2	255.8	(0.5)	(170.0)
June	255.8	680.4	426.1	481.0	80.0	(110.0)
July	481.0	298.4	442.8	336.6	0.0	0.0
August	336.6	361.2	440.1	257.8	0.0	0.0
September	257.8	501.4	568.6	190.5	0.0	0.0
October	190.5	459.5	593.5	166.5	110.0	0.0
November	166.5	388.1	628.3	380.1	453.9	0.0
December	380.1	502.0	674.1	208.0	0.0	0.0

	Beginning Balance	Receipts	Disbursements	Ending Balance	Borrowing from Special Funds	Borrowing from Working Cash Balance Revolving
2015						
January	208.0	368.3	399.0	177.4	0.0	0.0
February	177.4	336.3	390.7	123.0	0.0	0.0
March	123.0	590.2	516.1	197.1	0.0	0.0
April	197.1	627.9	444.2	380.8	0.0	0.0
May	380.8	338.9	405.1	364.6	0.0	0.0
June	364.6	712.5	329.2	184.0	(397.0)	(166.9)
July	184.0	294.2	515.3	359.9	397.0	0.0
August	359.9	396.2	533.7	222.4	0.0	0.0
September	222.4	485.8	572.5	135.7	0.0	0.0
October	135.7	470.0	546.5	159.2	100.0	0.0
November	159.2	383.3	516.6	425.8	400.0	0.0
December	425.8	459.1	452.1	432.9	0.0	0.0
2016						
January	432.9	354.3	465.5	339.5	(14.8)	2.6
February	339.5	372.2	394.4	321.8	0.0	4.5
March	321.8	676.8	522.0	326.6	0.0	(50.0)
April	326.6	550.0	442.5	434.6	0.0	0.4
May	434.6	471.0	406.3	287.6	(111.8)	(100.0)
June	287.6	688.1	341.9	48.5	(385.2)	(200.0)
July	48.5	302.4	463.1	287.8	0.0	400.0
August	287.8	415.9	514.1	189.6	0.0	0.0
September	189.6	576.7	590.9	174.6	0.0	0.0
October	174.6	527.8	623.3	79.1	0.0	0.0
November	79.1	363.3	537.9	149.0	245.3	(0.9)
December	149.0	466.3	427.3	388.0	200.0	0.0
2017						
January	388.0	399.3	482.2	101.0	(205.5)	1.5
February	101.0	317.1	443.2	164.4	190.0	0.5
March	164.4	532.4	447.1	242.7	0.0	(7.0)
April	242.7	778.7	458.2	463.2	(100.0)	0.0
May	463.2	407.0	348.5	196.7	(300.0)	(25.0)
June	196.7	685.0	362.5	121.3	(142.1)	(255.8)
July	121.3	310.6	493.5	138.4	0.0	200.0
August	138.4	412.0	565.0	185.5	0.0	200.0
September	185.5	491.3	531.5	145.2	0.0	0.0

Source: Department of Finance and Administration.

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APPENDIX B

**EXCERPTS FROM 2016 AUDITED FINANCIAL
STATEMENTS**

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APPENDIX C

FORMS OF CONTINUING DISCLOSURE CERTIFICATES

C-1

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CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the State of Mississippi (the "Issuer" or the "State") in connection with the issuance of the \$_____ State of Mississippi General Obligation Bonds, Series 2017D (the "Series 2017D Bonds"). The Series 2017D Bonds are being issued pursuant to a resolution of the State Bond Commission of the State dated _____, 2017 (the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Series 2017D Bonds and the beneficial owners of the Series 2017D Bonds and in order to assist the Participating Underwriters in complying with SEC Rule 15c2-12(b)(5)(i)(C).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" shall mean FSC Continuing Disclosure Services, a division of Hilltop Securities Inc., Dallas, Texas, and any successors thereto, which has been designated by the Department of Finance and Administration, an agency of the State, to serve as Dissemination Agent to the State

"EMMA" shall mean the Electronic Municipal Market Access System found at <http://emma.msrb.org> which is the electronic format prescribed by the MSRB pursuant to the Rule.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board. The electronic filings with the MSRB shall be through EMMA.

"Participating Underwriters" shall mean any of the original underwriters of the Series 2017D Bonds required to comply with the Rule.

"Repository" shall mean the MSRB and each State Repository, if any.

"Rule" shall mean Rule 15c2-12(b)(5)(i)(C) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended and supplemented.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Repository.

SECTION 3. Provision of Annual Reports. The Issuer shall, or shall cause the Dissemination Agent to, not later than February 1 of each year, provide to each Repository an Annual Report which is consistent with the requirements of Sections 3 and 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Sections 3 and 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report. If the audited financial statements of the Issuer are publically unavailable on February 1 of each year, the Issuer agrees to provide unaudited financial statements and such audited financial statements if and when publically available.

If the Issuer is unable to provide the Repositories an Annual Report by the date required in the immediately preceding paragraph, the Issuer shall send a notice to each Repository.

The Dissemination Agent shall determine each year prior to the date for providing the Annual Report the name and address of each Repository.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall be the Comprehensive Annual Financial Report of the State prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events in a timely manner not in excess of ten (10) business days after the occurrence thereof, if material. All fifteen (15) events mandated by the Rule are listed below; however, some may not apply to the Series 2017D Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on the credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modification to rights of security holders;
- (8) Bond calls;
- (9) Tender offers;
- (10) Defeasances;
- (11) Release, substitution or sale of property securing repayment of the securities;
- (12) Rating changes;
- (13) Bankruptcy, insolvency, receivership or similar event of the State;
- (14) Consummation of a merger, consolidation, or acquisition involving the State or the sale of all or substantially all of the assets of the State, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
- (15) The appointment of a successor or additional trustee or the change of name of a trustee.

(b) Any Listed Event under subsection (a)(1), (3), (4), (5), (6), (9), (10), (12), or (13) of this Section 5 will always be deemed to be material.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Series 2017D Bonds.

SECTION 7. Dissemination Agent. The Issuer has engaged the Dissemination Agent to assist it in disseminating information hereunder. The Issuer shall send the information required by Sections 3 and 4 hereof and event notices required by this Disclosure Certificate to the Dissemination Agent. Unless otherwise agreed to, the Dissemination Agent shall, as soon as practicable but not later than five (5) days after receipt of such information, forward the same to (i) the MSRB and State Repository, if any, as described herein, and (ii) any beneficial holder of the Series 2017D Bonds who requests such information in writing to the Dissemination Agent or the Issuer. The Dissemination Agent shall have no duty to review the materials described in this paragraph prior to disseminating such materials.

The initial Dissemination Agent shall be FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc., Dallas, Texas. The Issuer may discharge the Dissemination Agent or any successor Dissemination Agent, but in such event shall take steps necessary to appoint a successor Dissemination Agent who shall be responsible for undertaking all responsibilities of dissemination hereunder.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of a Series 2017D Bonds or the Participating Underwriter may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an "event of default" under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The obligations of the Issuer under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Series 2017D Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters, holders from time to time of the Series 2017D Bonds, and beneficial owners of the Series 2017D Bonds and shall create no rights in any other person or entity.

SECTION 13. Prior Disclosure. The State is current in all material respects with its previous continuing disclosure undertakings under the Rule. However, there have been some instances in the previous five years in which the State filed its annual undertakings late. The State's CAFR for fiscal year 2011 was filed with EMMA on May 30, 2012. In addition, due to the change in the State's accounting, although the State's unaudited financial statement was filed timely along with its annual report, the State's CAFR for fiscal year 2015 was not filed on EMMA until May 31, 2016. Likewise, the State has in the past failed to timely file certain event notices such as ratings changes and refunding notices and has also on occasion failed to link its filings to all of its CUSIPs. The State has taken steps to ensure that it will timely comply with all undertakings in the future. Specifically, the State has approved a "State of Mississippi Debt Management Policy" which provides detailed procedures for the timely filing of continuing disclosure by the State. Also, the State has engaged FSC Continuing Disclosure Services, a Division of Hilltop Securities, Inc., Dallas, Texas, as dissemination agent to assist with compliance with the terms of its undertakings.

Date: _____, 2017

STATE OF MISSISSIPPI

By: _____
Governor and Ex officio Chairman of the
State Bond Commission

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the State of Mississippi (the "Issuer" or the "State") in connection with the issuance of the \$_____ State of Mississippi Taxable General Obligation Bonds, Series 2017E (the "Series 2017E Bonds"). The Series 2017E Bonds are being issued pursuant to a resolution of the State Bond Commission of the State dated _____, 2017 (the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Series 2017E Bonds and the beneficial owners of the Series 2017E Bonds and in order to assist the Participating Underwriters in complying with SEC Rule 15c2-12(b)(5)(i)(C).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" shall mean FSC Continuing Disclosure Services, a division of Hilltop Securities Inc., Dallas, Texas, and any successors thereto, which has been designated by the Department of Finance and Administration, an agency of the State, to serve as Dissemination Agent to the State.

"EMMA" shall mean the Electronic Municipal Market Access System found at <http://emma.msrb.org> which is the electronic format prescribed by the MSRB pursuant to the Rule.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board. The electronic filings with the MSRB shall be through EMMA.

"Participating Underwriters" shall mean any of the original underwriters of the Series 2017E Bonds required to comply with the Rule.

"Repository" shall mean the MSRB and each State Repository, if any

"Rule" shall mean Rule 15c2-12(b)(5)(i)(C) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended and supplemented.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Repository.

SECTION 3. Provision of Annual Reports. The Issuer shall, or shall cause the Dissemination Agent to, not later than February 1 of each year, provide to each Repository an Annual Report which is consistent with the requirements of Sections 3 and 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Sections 3 and 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report. If the audited financial statements of the Issuer are publically unavailable on February 1 of each year, the Issuer agrees to provide unaudited financial statements and such audited financial statements if and when publically available.

If the Issuer is unable to provide the Repositories an Annual Report by the date required in the immediately preceding paragraph, the Issuer shall send a notice to each Repository.

The Dissemination Agent shall determine each year prior to the date for providing the Annual Report the name and address of each Repository.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall be the Comprehensive Annual Financial Report of the State prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events in a timely manner not in excess of ten (10) business days after the occurrence thereof, if material. All fifteen (15) events mandated by the Rule are listed below; however, some may not apply to the Series 2017E Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on the credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modification to rights of security holders;
- (8) Bond calls;
- (9) Tender offers;
- (10) Defeasances;
- (11) Release, substitution or sale of property securing repayment of the securities;
- (12) Rating changes;
- (13) Bankruptcy, insolvency, receivership or similar event of the State;
- (14) Consummation of a merger, consolidation, or acquisition involving the State or the sale of all or substantially all of the assets of the State, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
- (15) The appointment of a successor or additional trustee or the change of name of a trustee.

(b) Any Listed Event under subsection (a)(1), (3), (4), (5), (6), (9), (10), (12), or (13) of this Section 5 will always be deemed to be material.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Series 2017E Bonds.

SECTION 7. Dissemination Agent. The Issuer has engaged the Dissemination Agent to assist it in disseminating information hereunder. The Issuer shall send the information required by Sections 3 and 4 hereof and event notices required by this Disclosure Certificate to the Dissemination Agent. Unless otherwise agreed to, the Dissemination Agent shall, as soon as practicable but not later than five (5) days after receipt of such information, forward the same to (i) the MSRB and State Repository, if any, as described herein, and (ii) any beneficial holder of the Series 2017E Bonds who requests such information in writing to the Dissemination Agent or the Issuer. The Dissemination Agent shall have no duty to review the materials described in this paragraph prior to disseminating such materials.

The initial Dissemination Agent shall be FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc., Dallas, Texas. The Issuer may discharge the Dissemination Agent or any successor Dissemination Agent, but in such event shall take steps necessary to appoint a successor Dissemination Agent who shall be responsible for undertaking all responsibilities of dissemination hereunder.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of a Series 2017E Bonds or the Participating Underwriter may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an "event of default" under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The obligations of the Issuer under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Series 2017E Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters, holders from time to time of the Series 2017E Bonds, and beneficial owners of the Series 2017E Bonds and shall create no rights in any other person or entity.

SECTION 13. Prior Disclosure. The State is current in all material respects with its previous continuing disclosure undertakings under the Rule. However, there have been some instances in the previous five years in which the State filed its annual undertakings late. The State's CAFR for fiscal year 2011 was filed with EMMA on May 30, 2012. In addition, due to the change in the State's accounting, although the State's unaudited financial statement was filed timely along with its annual report, the State's CAFR for fiscal year 2015 was not filed on EMMA until May 31, 2016. Likewise, the State has in the past failed to timely file certain event notices such as ratings changes and refunding notices and has also on occasion failed to link its filings to all of its CUSIPs. The State has taken steps to ensure that it will timely comply with all undertakings in the future. Specifically, the State has approved a "State of Mississippi Debt Management Policy" which provides detailed procedures for the timely filing of continuing disclosure by the State. Also, the State has engaged FSC Continuing Disclosure Services, a Division of Hilltop Securities, Inc., Dallas, Texas, as dissemination agent to assist with compliance with the terms of its undertakings.

Date: _____, 2017

STATE OF MISSISSIPPI

By: _____
Governor and Ex officio Chairman of the
State Bond Commission

APPENDIX D
FORM OF OPINION OF ATTORNEY GENERAL

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STATE OF MISSISSIPPI

OFFICE OF THE ATTORNEY GENERAL
OFFICIAL ATTORNEY GENERAL'S OPINION

[FORM OF OPINION OF ATTORNEY GENERAL]

_____, 2017

JIM HOOD
ATTORNEY GENERAL

State Bond Commission
State of Mississippi
Jackson, Mississippi

Re:

\$ _____ State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt), dated _____, 2017 (the "Series 2017D Bonds")

\$ _____ State of Mississippi Taxable General Obligation Bonds, Series 2017E, dated _____, 2017 (the "Series 2017E Bonds")

The Series 2017D Bonds and the Series 2017E Bonds are, together, referred to as the "Series 2017 Bonds."

Commission Members:

The opinion as hereinafter set forth is submitted regarding several matters pertaining to the sale and issuance of the above referenced Series 2017 Bonds of the State of Mississippi (the "State").

There are three members of the State Bond Commission (the "Commission") and, in addition to being a member of the Commission, the Attorney General is legal advisor to the Commission.

The Commission is authorized to issue the Series 2017D Bonds under the provisions of Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; pursuant to the provisions of Section 5 of House Bill 1729 of the 2016 Regular Session of the State Legislature, (the "2016 Mississippi State Fairgrounds Improvement Act"); pursuant to Section 1 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 IHL Capital Improvements Act"); pursuant to Sections 1 and 2 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Capital Improvements Act"); pursuant to Section 14 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Partnership School Construction Act"); pursuant to Section 2 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 Community and Junior Colleges Capital Improvements Act"); pursuant to Section 39-5-145, Mississippi Code of 1972, as amended, including, but not limited to, Sections 24 and 25 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "Mississippi Community Heritage Preservation Grant Act"); pursuant to Section 13 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016

Mississippi Arts and Entertainment Act"); pursuant to Section 33 of House Bill 787 of the 2014 Regular Session of the State Legislature (the "2014 City of Madison I-55 Connector Construction Act"); pursuant to Section 31 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 City of Terry Historic Preservation Act"); pursuant to Section 47 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mount Olive Park Improvements Act"); pursuant to Section 74 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Natchez Seminary Repair and Renovation Act") (collectively, the "Series 2017D Bonds Act"); and a resolution adopted by the members of the Commission on _____, 20____ (the "Series 2017D Bonds Resolution"), purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds, all as authorized under the Series 2017D Bonds Act and the Series 2017D Bond Resolution.

The Commission is authorized to issue the Series 2017E Bonds under the provisions of Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; the Mississippi Major Economic Impact Act, Section 34 of Senate Bill 2913, of the 2013 Regular Session of the State Legislature, and Section 18 of House Bill 1729 of the 2016 Regular Session of the State Legislature; Section 57-1-16, Mississippi Code of 1972, as amended, including, but not limited to, Section 22 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (collectively, the "ACE Act"); Section 57-1-701, Mississippi Code of 1972, as amended, including, but not limited to, Sections 1 and 2 of Senate Bill 3033 of the 2017 Regular Session of the State Legislature (collectively, the "Mississippi Site Development Grant Act"); and, Section 57-61-36, Mississippi Code of 1972, as amended, including, but not limited to, Section 11 of House Bill 787, 2014 Regular Session of the State Legislature (collectively, the "Development Infrastructure Grant Act") (collectively, the "Series 2017E Bonds Act"); and a resolution adopted by the Commission on _____, 20____ (the "Series 2017E Bonds Resolution" and together with the Series 2017D Bonds Resolution, the "Resolutions"), for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized under the Series 2017E Bonds Act and the Series 2017E Bonds Resolution.

The Series 2017D Bonds Act and the Series 2017E Bonds Act, together, shall be referred to as the "Act." The Series 2017D Bonds Resolution and the Series 2017E Bonds Resolution, together, shall be referred to as the "Resolutions."

The existing State Constitution is the Mississippi Constitution of 1890. Protection for the contractual obligations owed holders of the Series 2017 Bonds arising from the issuance of the Series 2017 Bonds is expressed in the provisions of Section 16 of the Constitution:

Ex post facto laws, or laws impairing the obligation of contracts shall not be passed.

I am of the opinion that when the Series 2017 Bonds are validated, issued, and delivered, such Series 2017 Bonds shall constitute a contract as contemplated by Section 16, *supra*, and shall enjoy the full protection thereof.

The Series 2017 Bonds have been subjected to validation by a competent State court. Validation procedure is prescribed by statute and requires that the submission for validation shall be accompanied by the written opinion of the State's Bond Attorney, an attorney appointed by the Governor of the State and who shall possess the same qualifications for office as the Attorney General.

Section 31-13-7, Mississippi Code of 1972, as amended and supplemented, provides that when a decree shall be entered confirming and validating bonds and there shall be no appeal from the decree, or if on appeal the Supreme Court enters its decree confirming and validating such bonds, the validity of such bonds shall never be called in question in any court in the State.

A Certificate of Non-litigation shall be rendered by the Attorney General certifying the finality of validation prior to delivery of the Series 2017 Bonds.

As to general obligations, the Act and the Resolutions provide generally:

The bonds issued under the provisions hereof are general obligations of the State, and for the repayment thereof the full faith and credit of the State is irrevocably pledged. If the funds appropriated by the Legislature are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated.

It is my opinion that the Series 2017 Bonds have been duly and validly authorized, issued, executed, and delivered by and on behalf of the State, that the Series 2017 Bonds constitute valid and binding general obligations of the State enforceable in accordance with the terms thereof (except to the extent that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, and to the exercise of judicial discretion in accordance with general principles of equity), and that for the payment thereof, the full faith, credit, and taxing power of the State is irrevocably pledged.

In connection with the sale and issuance of the Series 2017 Bonds, the State will deliver its Continuing Disclosure Certificates dated as of the date of the issuance and delivery of the Series 2017 Bonds. The Continuing Disclosure Certificates will be delivered by the State for the benefit of the holders of the Series 2017 Bonds and in order to assist the participating underwriters or purchasers in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

It is my opinion that the Continuing Disclosure Certificates have been duly and validly authorized, executed, and delivered by and on behalf of the State and constitute valid and binding obligations of the State enforceable in accordance with the terms thereof (except to the extent that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, and to the exercise of judicial discretion in accordance with general principles of equity).

The Mississippi Legislature enacted Section 11-46-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented, to address the tort liability of the State and its political subdivisions. This act creates an immunity and then waives this immunity except in certain situations up to a maximum of five hundred thousand dollars (\$500,000.00) per occurrence.

When the Attorney General of the State shall give his opinion in writing to an officer, board, commission, department, or person authorized to require such written opinion, there shall be no liability, civil or criminal, accruing to or against such body or person who in good faith follows the direction of such opinion and acts in accordance therewith, unless a court of competent jurisdiction, after a full hearing, shall publicly declare that such opinion is manifestly wrong and without any substantial support.

This opinion is being rendered in connection with the issuance of the Series 2017 Bonds and in anticipation that it will be relied upon by Bond Counsel, in rendering its opinion with respect to the Series 2017 Bonds, and such reliance is hereby specifically authorized.

Very truly yours,

JIM HOOD, Attorney General

APPENDIX E
FORMS OF OPINIONS OF BOND COUNSEL

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FORM OF OPINION OF BOND COUNSEL WITH RESPECT TO
THE SERIES 2017D BONDS

_____ 2017

State Bond Commission
State of Mississippi
Jackson, Mississippi

Commission Members:

We have examined the Constitution and statutes of the State of Mississippi (the "State"), including particularly Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; pursuant to the provisions of Section 5 of House Bill 1729 of the 2016 Regular Session of the State Legislature, (the "2016 Mississippi State Fairgrounds Improvement Act"); pursuant to Section 1 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 IHL Capital Improvements Act"); pursuant to Sections 1 and 2 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 IHL Capital Improvements Act"); pursuant to Section 14 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Partnership School Construction Act"); pursuant to Section 2 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "2015 Community and Junior Colleges Capital Improvements Act"); pursuant to Section 39-5-145, Mississippi Code of 1972, as amended, including, but not limited to, Sections 24 and 25 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (the "Mississippi Community Heritage Preservation Grant Act"); pursuant to Section 13 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mississippi Arts and Entertainment Act"); pursuant to Section 33 of House Bill 787 of the 2014 Regular Session of the State Legislature (the "2014 City of Madison I-55 Connector Construction Act"); pursuant to Section 31 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 City of Terry Historic Preservation Act"); pursuant to Section 47 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Mount Olive Park Improvements Act"); pursuant to Section 74 of House Bill 1729 of the 2016 Regular Session of the State Legislature (the "2016 Natchez Seminary Repair and Renovation Act"); collectively, the "Series 2017D Bonds Act"), and certified copies of the proceedings had by the State Bond Commission (the "Commission"), including the adoption of a resolution by the members of the Commission on _____, 2017 (the "Series 2017D Bonds Resolution"), and other proofs submitted, relative to the sale and issuance by the State, acting by and through the Commission, of

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GENERAL OBLIGATION BONDS,
SERIES 2017D
(Tax-Exempt)

dated _____, 2017, thereof, and maturing in such amounts and at such times, bearing interest and subject to redemption, all as set forth in the Series 2017D Bonds Resolution (the "Series 2017D Bonds"). The Series 2017D Bonds are being issued for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, all as more particularly described in the Series 2017D Bonds Resolution, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds, all as authorized by the Series 2017D Bonds Act and the Series 2017D Bonds Resolution.

As to questions of fact material to our opinion, we have relied upon such certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. We have also examined one of the Series 2017D Bonds.

Based on the foregoing and subject to the qualifications that follow, we are of the opinion on the date hereof that:

1. Such proceedings and proofs show lawful authority for the sale and issuance of the Series 2017D Bonds by the State pursuant to the Constitution and laws of the State, including the Series 2017D Bonds Act, and the provisions of the Series 2017D Bonds Resolution.

2. The Series 2017D Bonds have been duly authorized, executed, and delivered under the provisions of the Series 2017D Bonds Resolution and are entitled to the pledge and security of the Series 2017D Bonds Resolution.

3. The Series 2017D Bonds are legal, valid, and binding general obligations of the State and, under the provisions of the Series 2017D Bonds Act, for the payment thereof the full faith and credit of the State are pledged.

4. Under existing statutes, regulations, rulings and court decisions, subject to the assumption stated below, interest on the Series 2017D Bonds is excludable from gross income for federal income tax purposes. Furthermore, interest on the Series 2017D Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2017D Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. We express no opinion regarding other federal tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2017D Bonds. In rendering the opinion contained in this paragraph 4, we have assumed continuing compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met after the issuance of the Series 2017D Bonds in order that interest on the Series 2017D Bonds not be includable in gross income for federal income tax purposes. The failure to meet such requirements may cause interest on the Series 2017D Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2017D Bonds. The State has covenanted to comply with or to require compliance with the requirements of the Code in order to maintain the excludability of interest on the Series 2017D Bonds from gross income for federal income tax purposes. Owners of the Series 2017D Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the environmental tax, the branch profits tax, and the tax on passive investment income of corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

5. Under and pursuant to the Series 2017D Bonds Act, the Series 2017D Bonds and interest thereon are exempt from all income taxes imposed by the State.

It is to be understood that the rights of the holders of the Series 2017D Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights heretofore or hereinafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In this opinion letter issued in our capacity as Bond Counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy, or completeness of the State's Official Statement or other statements made in connection with any offer or sale of the Series 2017D Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Series 2017D Bonds, except those specifically addressed herein or upon any federal or state law with respect to the sale or distribution of the Series 2017D Bonds.

In rendering this opinion letter, we have acted as Bond Counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Series 2017D Bonds under the laws of the State and with respect to the excludability of the interest on the Series 2017D Bonds from federal and State income taxation.

This opinion letter is an expression of professional judgment regarding the matters expressly addressed herein. It is neither a guarantee of result nor an insurance policy with respect to the transaction or the future actions or performance of any party or entity. Our services have not included any financial or other non-legal advice. We express no opinion other than as herein expressly stated in this letter, and no expansion of our opinion may be made by implication or otherwise. The opinions herein are given as of the date hereof and are based upon statutes, regulations, rulings and court decisions in effect on the date hereof and not as of any future date. It should be noted that material changes regarding matters of fact and applicable law may hereafter occur. We expressly disclaim any undertaking or responsibility to review, revise, update, or supplement this opinion letter subsequent to its date for any reason or to advise you of any change in the law, whether by reason of legislative or regulatory action, by judicial decision, or otherwise, or of any change of facts or circumstances or of any facts or circumstances that may hereafter come to our attention or for any other reason.

Respectfully submitted,
JONES WALKER LLP

FORM OF OPINION OF BOND COUNSEL WITH RESPECT TO
THE SERIES 2017E BONDS

_____, 2017

State Bond Commission
State of Mississippi
Jackson, Mississippi

Commission Members:

We have examined the Constitution and statutes of the State of Mississippi (the "State"), including particularly Sections 57-75-1 *et seq.*, Mississippi Code of 1972, as amended (the "Mississippi Major Economic Impact Act") and Section 4 of House Bill 1 of the 2016 First Extraordinary Session of the State Legislature; the Mississippi Major Economic Impact Act, Section 34 of Senate Bill 2913, of the 2013 Regular Session of the State Legislature, and Section 18 of House Bill 1729 of the 2016 Regular Session of the State Legislature; Section 57-1-16, Mississippi Code of 1972, as amended, including, but not limited to, Section 22 of Senate Bill 2906 of the 2015 Regular Session of the State Legislature (collectively, the "ACE Act"); Section 57-1-701, Mississippi Code of 1972, as amended, including, but not limited to, Sections 1 and 2 of Senate Bill 3033 of the 2017 Regular Session of the State Legislature (collectively, the "Mississippi Site Development Grant Act"); and, Section 57-61-36, Mississippi Code of 1972, as amended, including, but not limited to, Section 11 of House Bill 787, 2014 Regular Session of the State Legislature (collectively, the "Development Infrastructure Grant Act") (collectively, the "Series 2017E Bonds Act"); and a resolution adopted by the Commission on November 8, 2017 (the "Series 2017E Bonds Resolution" and together with the Series 2017D Bonds Resolution, the "Resolutions"), for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized under the Series 2017E Bonds Act and the Series 2017E Bonds Resolution, and other proofs submitted, relative to the sale and issuance by the State, acting by and through the Commission, of

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SERIES 2017E

dated _____, 2017, and maturing in such amounts and at such times, bearing interest and not subject to redemption, all as set forth in the Series 2017E Bonds Resolution (the "Series 2017E Bonds"). The Series 2017E Bonds are being issued for the purpose of providing funds to finance various long-term capital improvement projects within the State and various economic development loans, grants, and programs of the State, all as more particularly described in the Series 2017E Bonds Resolution, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds, all as authorized by the Series 2017E Bonds Act and the Series 2017E Bonds Resolution.

As to questions of fact material to our opinion, we have relied upon such certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. We have also examined one of the Series 2017E Bonds.

Based on the foregoing and subject to the qualifications that follow, we are of the opinion on the date hereof that:

1. Such proceedings and proofs show lawful authority for the sale and issuance of the Series 2017E Bonds by the State pursuant to the Constitution and laws of the State, including the Series 2017E Bonds Act, and the provisions of the Series 2017E Bonds Resolution.

2. The Series 2017E Bonds have been duly authorized, executed, and delivered under the provisions of the Series 2017E Bonds Resolution and are entitled to the pledge and security of the Series 2017E Bonds Resolution.

3. The Series 2017E Bonds are legal, valid, and binding general obligations of the State and, under the provisions of the Series 2017E Bonds Act, for the payment thereof the full faith and credit of the State are pledged.

4. Under and pursuant to the Series 2017E Bonds Act, the Series 2017E Bonds and interest thereon are exempt from all income taxes imposed by the State.

Interest on the Series 2017E Bonds should be treated as includable in gross income of the holders thereof for federal income tax purposes.

It is to be understood that the rights of the holders of the Series 2017E Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights heretofore or hereinafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In this opinion letter issued in our capacity as Bond Counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy, or completeness of the State's Official Statement or other statements made in connection with any offer or sale of the Series 2017E Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Series 2017E Bonds, except those specifically addressed herein or upon any federal or state law with respect to the sale or distribution of the Series 2017E Bonds.

In rendering this opinion letter, we have acted as Bond Counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Series 2017E Bonds under the laws of the State and with respect to the excludability of the interest on the Series 2017E Bonds from federal and State income taxation.

This opinion letter is an expression of professional judgment regarding the matters expressly addressed herein. It is neither a guarantee of result nor an insurance policy with respect to the transaction or the future actions or performance of any party or entity. Our services have not included any financial or other non-legal advice. We express no opinion other than as herein expressly stated in this letter, and no expansion of our opinion may be made by implication or otherwise. The opinions herein are given as of the date hereof and are based upon statutes, regulations, rulings, and court decisions in effect on the date hereof and not as of any future date. It should be noted that material changes regarding matters of fact and applicable law may hereafter occur. We expressly disclaim any undertaking or responsibility to review, revise, update, or supplement this opinion letter subsequent to its date for any reason or to advise you of any change in the law, whether by reason of legislative or regulatory action, by judicial decision or otherwise, or of any change of facts or circumstances or of any facts or circumstances that may hereafter come to our attention or for any other reason.

Respectfully submitted,

JONES WALKER LLP

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APPENDIX F

BOOK-ENTRY-ONLY SYSTEM

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BOOK-ENTRY-ONLY SYSTEM

The information provided under this APPENDIX F has been provided by The Depository Trust Company ("DTC"). No representation is made by the State as to the accuracy or adequacy of such information, or as to the absence of material adverse changes in such information subsequent to the date hereof.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of \$_____ State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt), and the \$_____ State of Mississippi Taxable General Obligation Bonds, Series 2017E (together, the "Series 2017 Bonds") under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2017 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2017 Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017 Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2017 Bonds, except in the event that use of the book-entry system for the Series 2017 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts the Series 2017 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017 Bond documents. For example, Beneficial Owners of Series 2017 Bonds may wish to ascertain that the nominee holding the Series 2017 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices are to be sent to DTC. If less than all of the Series 2017 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2017 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Paying and Transfer Agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal and interest payments, if any, on the Series 2017 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the State or the Paying and Transfer Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying and Transfer Agent or the State, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the State or the Paying and Transfer Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2017 Bonds at any time by giving reasonable notice to the State or the Paying and Transfer Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2017 Bond certificates are required to be printed and delivered.

The State may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2017 Bonds in definitive form will be printed and delivered. See the caption "DESCRIPTION OF THE SERIES 2017 BONDS - Registration" in this Official Statement.

THE STATE AND THE UNDERWRITERS OR PURCHASERS CANNOT AND DO NOT GIVE ANY ASSURANCE THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2017 BONDS: (a) PAYMENTS OF PRINCIPAL OR INTEREST ON THE SERIES 2017 BONDS; (b) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2017 BONDS; OR (c) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNER OF THE SERIES 2017 BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SEC AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

THE STATE AND THE UNDERWRITERS OR PURCHASERS WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (a) THE SERIES 2017 BONDS; (b) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (c) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF AND INTEREST ON THE SERIES 2017 BONDS; (d) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTIONS TO BE GIVEN TO HOLDERS OF THE SERIES 2017 BONDS; OR (e) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER OF THE SERIES 2017 BONDS.

APPENDIX G

FORMS OF THE OFFICIAL NOTICES OF BOND SALE

OFFICIAL NOTICE OF BOND SALE

\$52,825,000*

STATE OF MISSISSIPPI

GENERAL OBLIGATION BONDS, SERIES 2017D (TAX-EXEMPT)

NOTICE IS HEREBY GIVEN that the State Bond Commission of the State of Mississippi (the "Commission" of the "State") will receive bids for the purchase of all, but not less than all, of the \$52,825,000* State of Mississippi General Obligation Bonds, Series 2017D (Tax-Exempt) (the "Series 2017D Bonds") on December 6, 2017 (the "Sale Date"). The Series 2017D Bonds are more particularly described in the Preliminary Official Statement dated November 28, 2017, relating to the Bonds (the "Preliminary Official Statement"), available at the i-Deal Prospectus website, www.i-dealprospectus.com. Prior to accepting bids, the State of Mississippi (the "State"), represented by the Department of Finance and Administration, reserves the right to change the principal amount of the Bonds being offered or other terms of the Series 2017D Bonds, to postpone the sale to a later date, or to cancel the sale. Notice of a change, postponement, or cancellation will be announced via Thomson Municipal News at the website address www.tm3.com not later than 1:00 p.m., Central Time, on the day preceding the bid opening. Such notice will specify the revised principal amount or other terms, if any, and later date selected for the sale, which may be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated upon at least forty-eight hours' notice via Thomson Municipal news at the internet website www.tm3.com. Consideration of the bids and the award will be made by the Commission not later than 4:00 p.m. on the Sale Date (as set forth above and in the bidding parameters herein). The State will continue to reserve the right to adjust the principal amount of the Bonds or to cancel the sale of the Bonds after the bids are opened as further described herein, see "ADJUSTMENT OF PRINCIPAL AMOUNT AND BID PRICE".

THE BONDS: The Series 2017D Bonds will be dated their date of delivery; will be delivered in definitive form as registered bonds; will be in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity; will be numbered from one upward in the order of issuance; will be payable as to principal at the office of the State Treasurer of the State, as designated by the Commission to serve as paying agent, transfer agent, and registrar of the Series 2017D Bonds (the "Paying and Transfer Agent"); and will bear interest from the date thereof, payable on December 1, 2018, and semiannually thereafter on June 1 and December 1 of each year, at the rate or rates offered by the successful bidder in its bid in accordance with this Official Notice of Bond Sale.

MATURITIES: The Series 2017D Bonds will mature serially, with option of prior payment, on December 1 in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>
2029	\$4,395,000
2030	5,260,000
2031	5,475,000
2032	5,700,000
2033	5,935,000
2034	6,175,000
2035	6,405,000
2036	6,625,000
2037	6,855,000

REDEMPTION: Series 2017D Bonds maturing after December 1, 2027, are subject to redemption prior to their respective maturities at the option of the Commission on and after December 1, 2027, either in whole or in part on any date, with the maturities and principal amounts thereof to be determined by the State, at the principal amount thereof together with accrued interest to the date fixed for redemption.

Notice of each such redemption shall be mailed, postage prepaid, not less than thirty (30) days prior to the redemption date, to all Registered Owners of the Series 2017D Bonds to be redeemed at their addresses as they appear on the registration books of the State kept by the Paying and Transfer Agent. If less than all of the

outstanding Series 2017D Bonds of a maturity are to be redeemed, the particular Series 2017D Bonds to be redeemed shall be selected by the Paying and Transfer Agent by lot or random selection in such manner as it shall deem fair and appropriate. The Paying and Transfer Agent may provide for the selection of portions of the principal of the Series 2017D Bonds (in integral multiples of \$5,000), and for all purposes of the Series 2017D Bonds Resolution (as hereinafter defined), all provisions pertaining to the redemption of the Series 2017D Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

AUTHORITY AND SECURITY: The Series 2017D Bonds will be issued pursuant to the provisions of various pieces of legislation adopted by the Legislature of the State and signed by the Governor of the State (together, the "Series 2017D Bonds Act") and the resolution authorizing and directing the issuance and sale of the Series 2017D Bonds dated November 8, 2017 (the "Series 2017D Bonds Resolution"), and shall be general obligations of the State, and for the payment thereof, the full faith and credit of the State shall be irrevocably pledged. The Series 2017D Bonds Act provides that if the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017D Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

PURPOSE: The Series 2017D Bonds are being issued for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017D Bonds.

DTC BOOK-ENTRY-ONLY: The Series 2017D Bonds are being initially offered as registered in the name of Cede & Co., as Registered Owner and nominee for The Depository Trust Company, New York, New York ("DTC") under DTC's Book-Entry-Only system of registration. Purchasers of interests in the Series 2017D Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Series 2017D Bonds will be evidenced by Book-Entry-Only. As long as Cede & Co. is the Registered Owner of the Series 2017D Bonds as nominee of DTC, payments of principal and interest will be made directly to such Registered Owner which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

FORM AND DELIVERY OF BIDS: Only electronic bids submitted via PARITY® will be accepted. No other provider of electronic bidding services will be accepted. No bid delivered in person or by facsimile will be accepted. Each bid must be unconditional and received by PARITY® before the Sale Date and time deadline for receiving bids as set forth in this Official Notice of Bond Sale. No proposal to purchase the Series 2017D Bonds may be withdrawn after the deadline set for receiving bids. Prior to the deadline set for receiving bids, an eligible prospective bidder may, subject to the limitation which may be imposed by PARITY®, modify the proposed terms of its bid, in which event the proposed terms last modified will constitute its bid for the Series 2017D Bonds. At the deadline stated above for receiving bids, the bidding process will close and each bid shall then constitute an irrevocable offer to purchase the Series 2017D Bonds on the terms provided in the bid and this Official Notice of Bond Sale.

The use of PARITY® electronic bidding shall be at the bidder's risk and expense, and the State shall have no liability with respect thereto. The State is using electronic bidding as a communications medium and PARITY® is not acting as the State's agent.

If any provisions of this Official Notice of Bond Sale conflict with information provided by PARITY®, this Official Notice of Bond Sale shall control. The State is not bound by any advice or determination of PARITY® as to whether any bid complies with the terms of this Official Notice of Bond Sale. The time maintained by PARITY® shall constitute the official time with respect to all bids submitted.

Each electronic bid submitted via PARITY® shall be deemed an offer in response to this Official Notice of Bond Sale and shall be binding upon the bidder as if made by a signed sealed bid delivered to the State. The successful bidder must confirm such bid by a signed PARITY® Bid Form and a signed statement of reoffering price, both delivered by e-mail to the State (Steven.McDevitt@dfa.ms.gov) and to Hilltop Securities, Dallas, Texas, the State's Financial Advisor (Vickie.Hall@Hilltopsecurities.com), no later than thirty minutes after being notified by the State of being the winning bidder, the original of each which must be received by Steven McDevitt, Director, Bond Advisory Division, at 501 North West Street, Suite 1301 Woolfolk Building, Jackson.

Mississippi, 39201. Failure to deliver this written confirmation does not relieve the bidder of the obligation to purchase the Series 2017D Bonds. For information about PARITY®, potential bidders may contact PARITY® at Dalcomp at 817.885.8900 or 201.434.8033.

FORM OF BID, INTEREST RATES, AND BID PRICE: All bids must conform to the requirements of this Official Notice of Bond Sale. The Series 2017D Bonds will be sold on an "all or none" basis at a price of not less than 100% of the par value. Each bid must specify (1) a single interest rate for each maturity; (2) the reoffering price or yield for each maturity of the Series 2017D Bonds; and (3) a dollar purchase price for the Series 2017D Bonds. No maturity may have a coupon more than 5.00% and no maturity may have a coupon less than 2.00%. No maturity may be priced at more than 120% of par and no maturity may be priced at less than 97.5% of par. All interest rates must be in multiples of $1/8^{\text{th}}$ or $1/20^{\text{th}}$ of 1.00%. The overall maximum interest rate to maturity on the Series 2017D Bonds must not exceed 5.00% per annum. Bidders may designate consecutive maturities as Term Bonds, and no more than two Term Bonds may be designated. Each Term Bond shall be subject to mandatory redemption at a price of 100% of the principal amount, plus accrued interest, on the dates and in the amounts that the consecutive maturities are payable.

COMPETITIVE BIDDING AND CERTIFICATE OF SUCCESSFUL BIDDER: In the event that the State does not receive at least three qualified bids to satisfy the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) allowing the State to treat the reasonably expected initial offering price to the public as of the Sale Date as the issue price of the Series 2017D Bonds, the "hold-the-offering-price rule" shall apply, which will allow the State to treat the initial offering price to the public of each maturity as of the Sale Date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule applies to any maturity of the Series 2017D Bonds, the successful bidder will neither offer nor sell that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on Sale Date and ending on the earlier of the following: (i) the date on which the successful bidder has sold at least 10 percent of that maturity of the Series 2017D Bonds to the public at a price that is no higher than the initial offering price to the public or (b) the close of the fifth business day after the Sale Date. The successful bidder agrees to promptly report to the Financial Advisor when it has sold 10 percent of a maturity of the Series 2017D Bonds to the public at a price that is no higher than the initial offering price to the public if that occurs prior to the close of the fifth business day after the Sale Date. Alternative certificates of the successful bidder are attached for use (I) when the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) are met and (II) when such requirements are not met.

CERTIFICATION REGARDING OFFERING PRICE OF BONDS: In order to provide the State with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended, relating to the exclusion of interest on the Series 2017D Bonds from gross income for federal income tax purposes, the successful bidder will be required to complete, execute, and deliver to the State (on or before the date of delivery of the Series 2017D Bonds) a certification regarding "issue price" substantially in the form accompanying this Official Notice of Bond Sale. If the successful bidder will not reoffer the Series 2017D Bonds for sale or has not sold a substantial amount of the Series 2017D Bonds of any maturity by the date of delivery, such certificate may be modified in a manner acceptable to the State. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate by the date of delivery of the Series 2017D Bonds if its bid is accepted by the State. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel (as defined hereinafter).

AWARD OF BONDS: An award of the Series 2017D Bonds, or rejection of bids, will be made by the Commission at a meeting of the Commission in its regular meeting place in the Governor's Conference Room on the 19th Floor of the Walter Sillers Building located in Jackson, Mississippi, at 2:00 P.M. on the Sale Date. The award, if any, will be made to the bidder complying with the terms of sale and offering to purchase the Series 2017D Bonds at the lowest true interest cost ("TIC") to the State. The TIC shall be determined by doubling the semi-annual interest rate (compounded semi-annually) as necessary to discount the debt service payments from the payment dates to the date of delivery of the Series 2017D Bonds.

RIGHT OF REJECTION, CANCELLATION: The Commission (i) reserves the right to reject any or all bids submitted, (ii) so far as permitted by law, to waive any irregularity or informality in any bid or condition of

this Notice, (iii) to solicit new bids or proposals for the sale of the Series 2017D Bonds, or (iv) to otherwise provide for the sale of the Series 2017D Bonds if all bids are rejected or the winning bidder defaults.

The successful bidder will have the right at its option to cancel its obligation to purchase the Series 2017D Bonds if the State shall fail to execute the Series 2017D Bonds and tender the same for delivery within 60 days from the date of sale thereof. In such event, the successful bidder will be entitled to the return of the Good Faith Deposit (hereinafter defined) accompanying its bid.

GOOD FAITH DEPOSIT: The successful bidder for the Series 2017D Bonds is required to submit the good faith amount of \$528,250 (the "Good Faith Deposit") to the State in the form of a wire transfer in federal funds as instructed by the Financial Advisor, not later than two hours after the verbal award is made. If such wire transfer deposit is not received by the State by that time, the bid of such apparent winning bidder may be rejected and the State, in its own discretion, may direct the next lowest bidder(s), in ascending order, to submit a Good Faith Deposit and, thereafter, may award the sale of the Series 2017D Bonds to the next lowest bidder. In the event that the original apparent winning bidder does not comply with the Good Faith Deposit requirements and another bidder complies with the Good Faith Deposit requirements as described herein, or in the event no bidder complies with the Good Faith Deposit requirements as described herein, the original apparent winning bidder is obligated to promptly pay to the State, as liquidated damages for its failure to timely comply with the terms of this Official Notice of Bond Sale and of its bid, a sum equal to the greater of (i) the difference between the TIC of the original apparent winner and the TIC of the ultimate winner; and (ii) the amount of the Good Faith Deposit.

Submission of a bid to purchase the Series 2017D Bonds shall constitute acknowledgement and acceptance of the terms of the Good Faith Deposit requirements, including the payment of liquidated damages as provided herein.

The Good Faith Deposit so wired will be retained by the state until the delivery of the Series 2017D Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Series 2017D Bonds or the Good Faith Deposit will be retained by the State as partial liquidated damages in the event of the failure of the successful bidder to pay for the Series 2017D Bonds in compliance with the terms of this Official Notice of Bond Sale and its bid. No interest on the Good Faith Deposit will be paid by the State.

ADJUSTMENT OF PRINCIPAL AMOUNT AND BID PRICE: Prior to the Sale Date, the State may cancel the sale of the Series 2017D Bonds or adjust the aggregate principal amount of the Series 2017D Bonds. Notice of a change or cancellation will be announced via Thomson Municipal News at the website address www.tm3.com not later than 1:00 p.m. Central Time, of the day preceding the day previously scheduled for bid opening.

After selecting the winning bid, the final principal amount of each maturity (the "Final Maturity Amounts") and the final aggregate par amount (the "Final Par Amount") of the Series 2017D Bonds will be determined. Each of the maturities listed above may be decreased or increased. Such adjusted principal amounts for each maturity shall constitute the Final Maturity Amounts, and in aggregate, such adjusted principal amounts shall constitute the Final Par Amount. In determining the Final Maturity Amounts and the Final Par Amount, the maturities listed above may be reduced or increased by no more than 15% of such amount. The successful bidder may not withdraw its bid or change the interest rates bid or its initial reoffering prices as a result of any changes made within these limits. The Final Maturity Amounts and the Final Par Amount will be communicated to the successful bidder by 4:00 p.m., Central Time, on the day of the sale. The dollar amount of the bid by the successful bidder will be adjusted to reflect the Final Par Amount. In adjusting the dollar amount of the bid, the Underwriter's Discount, if any, shall be held constant. The Underwriter's Discount shall be defined as the difference between the purchase price of the Series 2017D Bonds submitted by the bidder and the price at which the Series 2017D Bond will be issued to the public, as calculated from information provided by the bidder, divided by the par amount of the bid.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The State Treasurer of the State, as designated by the Commission, will serve as paying agent, transfer agent, and registrar of the Series 2017D Bonds (the "Paying and Transfer Agent"). The Paying and Transfer Agent shall be subject to change by order of the Commission under the conditions and in the manner provided in the Series 2017D Bonds Resolution.

DELIVERY: The successful bidder must designate within thirty (30) days of the date of sale, or at such other later date as may be designated by the Commission, the names and addresses of the registered owners of the Series 2017D Bonds and the denominations in which the Series 2017D Bonds of each maturity are to be issued. If the successful bidder fails to submit such information within the required time, one Series 2017D Bond may be issued for each maturity in the full amount maturing on that date registered in the name of the successful bidder. The Series 2017D Bonds will be delivered at a place to be designated by the purchaser and without cost to the purchaser, and payment therefor shall be made in immediately available funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Series 2017D Bonds unless specifically declined by the purchaser, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series 2017D Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Series 2017D Bonds shall be paid by the State. The charge for the assignment of said CUSIP numbers shall be the responsibility of and shall be paid for by the purchaser.

LEGAL OPINION; CLOSING DOCUMENTS: The Series 2017D Bonds are offered subject to the unqualified approval of the legality thereof by Jones Walker LLP, Jackson, Mississippi, Bond Counsel. In the opinion of Jones Walker LLP, Jackson, Mississippi, interest on the Bonds is exempt from federal and Mississippi income taxes under existing laws, regulations, rulings, and judicial decisions, with such exceptions as shall be described in the Preliminary Official Statement for the Series 2017D Bonds. A copy of the opinion of Bond Counsel, together with the usual closing papers, including a non-litigation certificate dated the date of delivery of the Series 2017D Bonds, evidencing that no litigation is pending in any way affecting the legality of the Series 2017D Bonds or the taxes to be levied for the payment of the principal thereof and interest thereon, and a transcript of the proceedings relating to the Series 2017D Bonds will be delivered to the successful bidder without charge. The State will pay for all legal fees and will pay for the printing and validation of the Series 2017D Bonds.

INFORMATION FROM PURCHASER: By submission of its bid, the successful bidder will be deemed to have agreed to supply to the State all necessary pricing information and any purchaser identification determined by the State to be necessary for the Official Statement or otherwise, within 24 hours after the award of the Series 2017D Bonds.

FURTHER INFORMATION: The State has prepared a Preliminary Official Statement which it deems, for purposes of S.E.C. Rule 15c2-12, to be final and complete as of this date except for the omission of the offering prices, interest rates, and any other terms of the Series 2017D Bonds depending on such matters, and the identity of the purchasers, subject to revision, amendment, and completion in a final Official Statement. By submission of its bid, the successful bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Upon the award of the Series 2017D Bonds, the State will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions, and revisions as required to complete the Official Statement. A copy of the Preliminary Official Statement and the PARITY® Bid Form may be obtained from the Office of the State Treasurer, 1101 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi, 39201, (601) 359-3600, Attention: Mr. Jesse Graham, Deputy Treasurer, or from the Department of Finance and Administration, 1301 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi 39201, (601) 359-3160, Attention: Mr. Steven McDevitt, Director, Bond Advisory Division. The Preliminary Official Statement is also available on www.i-dealprospectus.com.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the State will undertake, pursuant to the Series 2017D Bonds Resolution and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Failure of the State to deliver the Continuing Disclosure Certificate at the time of issuance and delivery of the Series 2017D Bonds shall relieve the successful bidder from its obligation to purchase the Series 2017D Bonds.

By order of the State Bond Commission of the State of Mississippi, on November 8, 2017.

**STATE BOND COMMISSION
STATE OF MISSISSIPPI**

By: /s/ Jim Hood
**Jim Hood, Attorney General, and
Ex-Officio Secretary, State Bond Commission**

ISSUE PRICE CERTIFICATE

FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS MET

The undersigned hereby certifies as follows with respect to the sale of \$52,285,000* State of Mississippi (the "State") General Obligation Bonds, Series 2017D (the "Series 2017D Bonds"):

1. The undersigned is the initial purchaser or the manager of the syndicate of initial purchasers (the "Initial Purchaser") which has purchased the Series 2017D Bonds from the State at competitive sale.
2. The Initial Purchaser was not given the opportunity to review other bids prior to submitting its bid, and the bid submitted by the Initial Purchaser constituted a firm bid to purchase the Series 2017D Bonds.
3. As of the Sale Date (as defined hereinafter), the reasonably expected initial offering prices of the Series 2017D Bonds to the public for each maturity of the Series 2017D Bonds by the Initial Purchaser (expressed as a percentage of principal amount and exclusive of accrued interest) is as set forth below:

2028	\$ _____ +	_____ %
2029	\$ _____ +	_____ %
2030	\$ _____ +	_____ %
2031	\$ _____ +	_____ %
2032	\$ _____ +	_____ %
2033	\$ _____ +	_____ %
2034	\$ _____ +	_____ %
2035	\$ _____ +	_____ %
2036	\$ _____ +	_____ %
2037	\$ _____ +	_____ %

+ Subject to optional redemption on December 1, 2027 and thereafter.

4. The term "public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party to an underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.
5. Sale Date means the first date on which there is a binding contract in writing for the sale of the Series 2017D Bonds. The Sale Date of the Series 2017D Bonds is December 6, 2017.
6. The term "maturity" means Series 2017D Bonds with the same credit and payment terms. Series 2017D Bonds with different maturity dates, or Series 2017D Bonds with the same maturity date but different interest rates, are treated as separate maturities.
7. The term "underwriter" means (i) any person that agrees pursuant to a written contract with the State (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2017D Bonds to the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2017D Bonds to the public (including a member of the selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2017D Bonds to the public).
8. The undersigned understands that the foregoing information will be relied upon by the State with respect to certain of the representations set forth in the Tax and Non-Arbitrage Certificate and Agreement executed by the State in connection with the issuance of the Series 2017D Bonds and with respect to compliance with the federal income tax rules affecting the Series 2017D Bonds, and by Jones Walker, LLP, Jackson, Mississippi, Bond Counsel, in connection with rendering its opinion that interest on the Series 2017D Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the State from time to time relating to the Series 2017D Bonds.

* Preliminary and Subject to Change.

EXECUTED and DELIVERED this _____ day of _____ 2017.

Name of Initial Purchaser or Manager

By: _____

Title: _____

ISSUE PRICE CERTIFICATE

FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS NOT MET

The undersigned hereby certifies as follows with respect to the sale of \$52,285,000* State of Mississippi (the "State") General Obligation Bonds, Series 2017D (the "Series 2017D Bonds"):

1. The undersigned is the initial purchaser or the manager of the syndicate of initial purchasers (the "Initial Purchaser") that has purchased the Series 2017D Bonds from the State.

2. As of the date of this Certificate, for each of the following maturities (the "Sold Maturities"), the first price at which a substantial amount (at least ten percent) of such maturity was sold to the public (expressed as a percentage of principal amount and exclusive of accrued interest) is set forth below:

2028	\$ _____ +	_____ %
2029	\$ _____ +	_____ %
2030	\$ _____ +	_____ %
2031	\$ _____ +	_____ %
2032	\$ _____ +	_____ %
2033	\$ _____ +	_____ %
2034	\$ _____ +	_____ %
2035	\$ _____ +	_____ %
2036	\$ _____ +	_____ %
2037	\$ _____ +	_____ %

+ Subject to optional redemption on December 1, 2027 and thereafter.

3. As of the Sale Date for the Series 2017D Bonds, each of the following maturities (the "Unsold Maturities") was offered to the public for purchase at the price (expressed as a percentage of principal amount and exclusive of accrued interest) set forth below:

2028	\$ _____ +	_____ %
2029	\$ _____ +	_____ %
2030	\$ _____ +	_____ %
2031	\$ _____ +	_____ %
2032	\$ _____ +	_____ %
2033	\$ _____ +	_____ %
2034	\$ _____ +	_____ %
2035	\$ _____ +	_____ %
2036	\$ _____ +	_____ %
2037	\$ _____ +	_____ %

+ Subject to optional redemption on December 1, 2027 and thereafter.

4. Offering Period means, with respect to an Unsold Maturity, the period beginning on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date or (b) the date on which the Initial Purchaser has sold at least 10 percent of such Unsold Maturity to the public at a price that is no higher than the initial offering price for such Unsold Maturity.

5. As set forth in the Official Notice of Bond Sale, the Initial Purchaser has agreed in writing that, for each of the Unsold Maturities, the Initial Purchaser would neither offer nor sell any of the Series 2017D Bonds of such maturity to any person at a price that is higher than the initial offering price for each maturity, as set forth in the pricing wire or equivalent communication for the Series 2017D Bonds attached to this Certificate, during the Offering Period for such maturity. Pursuant to such agreement, the Initial Purchaser has neither offered nor sold any of the Unsold Maturities at a price higher than the respective initial offering price for that maturity of the Series 2017D Bonds during the Offering Period.

* Preliminary and Subject to Change.

6. The term "public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party to an underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

7. Sale Date means the first date on which there is a binding contract in writing for the sale of the Series 2017D Bonds. The Sale Date of the Series 2017D Bonds is December 6, 2017.

8. The term "maturity" means Series 2017D Bonds with the same credit and payment terms. Series 2017D Bonds with different maturity dates, or Series 2017D Bonds with the same maturity date but different interest rates, are treated as separate maturities.

9. The term "underwriter" means (i) any person that agrees pursuant to a written contract with the State (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2017D Bonds to the public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2017D Bonds to the public (including a member of the selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2017D Bonds to the public).

10. The undersigned understands that the foregoing information will be relied upon by the State with respect to certain of the representations set forth in the Tax and Non-Arbitrage Certificate and Agreement executed by the State in connection with the issuance of the Series 2017D Bonds and with respect to compliance with the federal income tax rules affecting the Series 2017D Bonds, and by Jones Walker, LLP, Jackson, Mississippi, Bond Counsel, in connection with rendering its opinion that interest on the Series 2017D Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the State from time to time relating to the Series 2017D Bonds.

EXECUTED and DELIVERED this ____ day of _____ 2017.

Name of Initial Purchaser or Manager

By: _____

Title: _____

OFFICIAL NOTICE OF BOND SALE

\$45,225,000*

**STATE OF MISSISSIPPI
TAXABLE GENERAL OBLIGATION BONDS, SERIES 2017E**

NOTICE IS HEREBY GIVEN that the State Bond Commission of the State of Mississippi (the "Commission" of the "State") will receive bids for the purchase of all, but not less than all, of the \$45,225,000* State of Mississippi Taxable General Obligation Bonds, Series 2017E) (the "Series 2017E Bonds") on December 6, 2017 (the "Sale Date"). The Series 2017E Bonds are more particularly described in the Preliminary Official Statement dated November 28, 2017, relating to the Bonds (the "Preliminary Official Statement"), available at the i-Deal Prospectus website, www.i-dealprospectus.com. Prior to accepting bids, the State of Mississippi (the "State"), represented by the Department of Finance and Administration, reserves the right to change the principal amount of the Bonds being offered or other terms of the Series 2017E Bonds, to postpone the sale to a later date, or to cancel the sale. Notice of a change, postponement, or cancellation will be announced via Thomson Municipal News at the website address www.tm3.com not later than 1:00 p.m., Central Time, on the day preceding the bid opening. Such notice will specify the revised principal amount or other terms, if any, and later date selected for the sale, which may be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated upon at least forty-eight hours' notice via Thomson Municipal news at the internet website www.tm3.com. Consideration of the bids and the award will be made by the Commission not later than 4:00 p.m. on the Sale Date (as set forth above and in the bidding parameters herein). The State will continue to reserve the right to adjust the principal amount of the Bonds or to cancel the sale of the Bonds after the bids are opened as further described herein, see "ADJUSTMENT OF PRINCIPAL AMOUNT AND BID PRICE".

THE BONDS: The Series 2017E Bonds will be dated their date of delivery; will be delivered in definitive form as registered bonds; will be in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity; will be numbered from one upward in the order of issuance; will be payable as to principal at the office of the State Treasurer of the State, as designated by the Commission to serve as paying agent, transfer agent, and registrar of the Series 2017E Bonds (the "Paying and Transfer Agent"); and will bear interest from the date thereof, payable on December 1, 2018, and semiannually thereafter on June 1 and December 1 of each year, at the rate or rates offered by the successful bidder in its bid in accordance with this Official Notice of Bond Sale.

MATURITIES: The Series 2017E Bonds will mature serially, with option of prior payment, on December 1 in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>
2018	\$2,185,000
2019	3,725,000
2020	3,810,000
2021	3,910,000
2022	4,015,000
2023	4,135,000
2024	4,265,000
2025	4,400,000
2026	4,545,000
2027	4,705,000
2028	4,870,000
2029	660,000

REDEMPTION: Series 2017E Bonds maturing after December 1, 2027, are subject to redemption prior to their respective maturities at the option of the Commission on and after December 1, 2027, either in whole or in part on any date, with the maturities and principal amounts thereof to be determined by the State, at the principal amount thereof together with accrued interest to the date fixed for redemption.

Notice of each such redemption shall be mailed, postage prepaid, not less than thirty (30) days prior to the redemption date, to all Registered Owners of the Series 2017E Bonds to be redeemed at their addresses as they appear on the registration books of the State kept by the Paying and Transfer Agent. If less than all of the outstanding Series 2017E Bonds of a maturity are to be redeemed, the particular Series 2017E Bonds to be redeemed shall be selected by the Paying and Transfer Agent by lot or random selection in such manner as it shall deem fair and appropriate. The Paying and Transfer Agent may provide for the selection of portions of the principal of the Series 2017E Bonds (in integral multiples of \$5,000), and for all purposes of the Series 2017E Bonds Resolution (as hereinafter defined), all provisions pertaining to the redemption of the Series 2017E Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

AUTHORITY AND SECURITY: The Series 2017E Bonds will be issued pursuant to the provisions of various pieces of legislation adopted by the Legislature of the State and signed by the Governor of the State (together, the "Series 2017E Bonds Act") and the resolution authorizing and directing the issuance and sale of the Series 2017E Bonds dated November 8, 2017 (the "Series 2017E Bonds Resolution"), and shall be general obligations of the State, and for the payment thereof, the full faith and credit of the State shall be irrevocably pledged. The Series 2017E Bonds Act provides that if the funds appropriated by the Legislature of the State shall be insufficient to pay the principal of and interest on the Series 2017E Bonds as they become due, the deficiency shall be paid by the State Treasurer from funds in the State Treasury not otherwise appropriated.

PURPOSE: The Series 2017E Bonds are being issued for the purpose of providing funds to finance the costs of various long-term capital improvement projects within the State and various grant and loan programs of the State, and to pay the costs incident to the sale, issuance, and delivery of the Series 2017E Bonds.

DTC BOOK-ENTRY-ONLY: The Series 2017E Bonds are being initially offered as registered in the name of Cede & Co., as Registered Owner and nominee for The Depository Trust Company, New York, New York ("DTC") under DTC's Book-Entry-Only system of registration. Purchasers of interests in the Series 2017E Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Series 2017E Bonds will be evidenced by Book-Entry-Only. As long as Cede & Co. is the Registered Owner of the Series 2017E Bonds as nominee of DTC, payments of principal and interest will be made directly to such Registered Owner which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

FORM AND DELIVERY OF BIDS: Only electronic bids submitted via PARITY® will be accepted. No other provider of electronic bidding services will be accepted. No bid delivered in person or by facsimile will be accepted. Each bid must be unconditional and received by PARITY® before the Sale Date and time deadline for receiving bids as set forth in this Official Notice of Bond Sale. No proposal to purchase the Series 2017E Bonds may be withdrawn after the deadline set for receiving bids. Prior to the deadline set for receiving bids, an eligible prospective bidder may, subject to the limitation which may be imposed by PARITY®, modify the proposed terms of its bid, in which event the proposed terms last modified will constitute its bid for the Series 2017E Bonds. At the deadline stated above for receiving bids, the bidding process will close and each bid shall then constitute an irrevocable offer to purchase the Series 2017E Bonds on the terms provided in the bid and this Official Notice of Bond Sale.

The use of PARITY® electronic bidding shall be at the bidder's risk and expense, and the State shall have no liability with respect thereto. The State is using electronic bidding as a communications medium and PARITY® is not acting as the State's agent.

If any provisions of this Official Notice of Bond Sale conflict with information provided by PARITY®, this Official Notice of Bond Sale shall control. The State is not bound by any advice or determination of PARITY® as to whether any bid complies with the terms of this Official Notice of Bond Sale. The time maintained by PARITY® shall constitute the official time with respect to all bids submitted.

Each electronic bid submitted via PARITY® shall be deemed an offer in response to this Official Notice of Bond Sale and shall be binding upon the bidder as if made by a signed sealed bid delivered to the State. The successful bidder must confirm such bid by a signed PARITY® Bid Form and a signed statement of reoffering price, both delivered by e-mail to the State (Steven.McDevitt@dfa.ms.gov) and to Hilltop Securities, Dallas,

Texas, the State's Financial Advisor (Vickie.Hall@Hilltopsecurities.com), no later than thirty minutes after being notified by the State of being the winning bidder, the original of each which must be received by Steven McDevitt, Director, Bond Advisory Division, at 501 North West Street, Suite 1301 Woolfolk Building, Jackson, Mississippi, 39201. Failure to deliver this written confirmation does not relieve the bidder of the obligation to purchase the Series 2017D Bonds. For information about PARITY®, potential bidders may contact PARITY® at Dalcomp at 817.885.8900 or 201.434.8033.

FORM OF BID, INTEREST RATES, AND BID PRICE: All bids must conform to the requirements of this Official Notice of Bond Sale. The Series 2017E Bonds will be sold on an "all or none" basis at a price of not less than 99.4% of the par value. Each bid must specify (1) a single interest rate for each maturity; (2) the reoffering price or yield for each maturity of the Series 2017E Bonds; and (3) a dollar purchase price for the Series 2017E Bonds. No maturity may have a coupon more than 5.00% and no maturity may have a coupon less than 1.00%. No maturity may be priced at more than 102% of par and no maturity may be priced at less than 99% of par. All interest rates must be in multiples of 1/8th or 1/100th of 1.00%. The overall maximum interest rate to maturity on the Series 2017E Bonds must not exceed 5.00% per annum. Bidders may designate consecutive maturities as Term Bonds, and no more than two Term Bonds may be designated. Each Term Bond shall be subject to mandatory redemption at a price of 100% of the principal amount, plus accrued interest, on the dates and in the amounts that the consecutive maturities are payable.

AWARD OF BONDS: An award of the Series 2017E Bonds, or rejection of bids, will be made by the Commission at a meeting of the Commission in its regular meeting place in the Governor's Conference Room on the 19th Floor of the Walter Sillers Building located in Jackson, Mississippi, at 2:00 P.M. on December 6, 2017. The award, if any, will be made to the bidder complying with the terms of sale and offering to purchase the Series 2017E Bonds at the lowest true interest cost ("TIC") to the State. The TIC shall be determined by doubling the semi-annual interest rate (compounded semi-annually) as necessary to discount the debt service payments from the payment dates to the date of delivery of the Series 2017E Bonds.

RIGHT OF REJECTION, CANCELLATION: The Commission (i) reserves the right to reject any or all bids submitted, (ii) so far as permitted by law, to waive any irregularity or informality in any bid or condition of this Notice, (iii) to solicit new bids or proposals for the sale of the Series 2017E Bonds, or (iv) to otherwise provide for the sale of the Series 2017E Bonds if all bids are rejected or the winning bidder defaults.

The successful bidder will have the right at its option to cancel its obligation to purchase the Series 2017E Bonds if the State shall fail to execute the Series 2017E Bonds and tender the same for delivery within 60 days from the date of sale thereof. In such event, the successful bidder will be entitled to the return of the Good Faith Deposit (hereinafter defined) accompanying its bid.

GOOD FAITH DEPOSIT: The successful bidder for the Series 2017E Bonds is required to submit the good faith amount of \$452,250 (the "Good Faith Deposit") to the State in the form of a wire transfer in federal funds as instructed by the Financial Advisor, not later than two hours after the verbal award is made. If such wire transfer deposit is not received by the State by that time, the bid of such apparent winning bidder may be rejected and the State, in its own discretion, may direct the next lowest bidder(s), in ascending order, to submit a Good Faith Deposit and, thereafter, may award the sale of the Series 2017E Bonds to the next lowest bidder. In the event that the original apparent winning bidder does not comply with the Good Faith Deposit requirements and another bidder complies with the Good Faith Deposit requirements as described herein, or in the event no bidder complies with the Good Faith Deposit requirements as described herein, the original apparent winning bidder is obligated to promptly pay to the State, as liquidated damages for its failure to timely comply with the terms of this Official Notice of Bond Sale and of its bid, a sum equal to the greater of (i) the difference between the TIC of the original apparent winner and the TIC of the ultimate winner; and (ii) the amount of the Good Faith Deposit.

Submission of a bid to purchase the Series 2017E Bonds shall constitute acknowledgement and acceptance of the terms of the Good Faith Deposit requirements, including the payment of liquidated damages as provided herein.

The Good Faith Deposit so wired will be retained by the state until the delivery of the Series 2017E Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Series 2017E Bonds or the Good Faith Deposit will be retained by the State as partial liquidated damages in the event of the

failure of the successful bidder to pay for the Series 2017E Bonds in compliance with the terms of this Official Notice of Bond Sale and its bid. No interest on the Good Faith Deposit will be paid by the State.

ADJUSTMENT OF PRINCIPAL AMOUNT AND BID PRICE: Prior to the Sale Date, the State may cancel the sale of the Series 2017E Bonds or adjust the aggregate principal amount of the Series 2017E Bonds. Notice of a change or cancellation will be announced via Thomson Municipal News at the website address www.tm3.com not later than 1:00 p.m. Central Time, of the day preceding the day previously scheduled for bid opening.

After selecting the winning bid, the final principal amount of each maturity (the "Final Maturity Amounts") and the final aggregate par amount (the "Final Par Amount") of the Series 2017E Bonds will be determined. Each of the maturities listed above may be decreased or increased. Such adjusted principal amounts for each maturity shall constitute the Final Maturity Amounts, and in aggregate, such adjusted principal amounts shall constitute the Final Par Amount. In determining the Final Maturity Amounts and the Final Par Amount, the maturities listed above may be reduced or increased by no more than 15% of such amount. The successful bidder may not withdraw its bid or change the interest rates bid or its initial reoffering prices as a result of any changes made within these limits. The Final Maturity Amounts and the Final Par Amount will be communicated to the successful bidder by 4:00 p.m., Central Time, on the day of the sale. The dollar amount of the bid by the successful bidder will be adjusted to reflect the Final Par Amount. In adjusting the dollar amount of the bid, the Underwriter's Discount, if any, shall be held constant. The Underwriter's Discount shall be defined as the difference between the purchase price of the Series 2017E Bonds submitted by the bidder and the price at which the Series 2017E Bond will be issued to the public, as calculated from information provided by the bidder, divided by the par amount of the bid.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The State Treasurer of the State, as designated by the Commission, will serve as paying agent, transfer agent, and registrar of the Series 2017E Bonds (the "Paying and Transfer Agent"). The Paying and Transfer Agent shall be subject to change by order of the Commission under the conditions and in the manner provided in the Series 2017E Bonds Resolution.

DELIVERY: The successful bidder must designate within thirty (30) days of the date of sale, or at such other later date as may be designated by the Commission, the names and addresses of the registered owners of the Series 2017E Bonds and the denominations in which the Series 2017E Bonds of each maturity are to be issued. If the successful bidder fails to submit such information within the required time, one Series 2017E Bond may be issued for each maturity in the full amount maturing on that date registered in the name of the successful bidder. The Series 2017E Bonds will be delivered at a place to be designated by the purchaser and without cost to the purchaser, and payment therefor shall be made in immediately available funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Series 2017E Bonds unless specifically declined by the purchaser, but neither the failure to print such number on any bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series 2017E Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Series 2017E Bonds shall be paid by the State. The charge for the assignment of said CUSIP numbers shall be the responsibility of and shall be paid for by the purchaser.

LEGAL OPINION; CLOSING DOCUMENTS: The Series 2017E Bonds are offered subject to the unqualified approval of the legality thereof by Jones Walker LLP, Jackson, Mississippi, Bond Counsel. In the opinion of Jones Walker LLP, Jackson, Mississippi, interest on the Bonds is exempt from Mississippi income taxes under existing laws, regulations, rulings, and judicial decisions, with such exceptions as shall be described in the Preliminary Official Statement for the Series 2017E Bonds. A copy of the opinion of Bond Counsel, together with the usual closing papers, including a non-litigation certificate dated the date of delivery of the Series 2017E Bonds, evidencing that no litigation is pending in any way affecting the legality of the Series 2017E Bonds or the taxes to be levied for the payment of the principal thereof and interest thereon, and a transcript of the proceedings relating to the Series 2017E Bonds will be delivered to the successful bidder without charge. The State will pay for all legal fees and will pay for the printing and validation of the Series 2017E Bonds.

INFORMATION FROM PURCHASER: By submission of its bid, the successful bidder will be deemed to have agreed to supply to the State all necessary pricing information and any purchaser identification

determined by the State to be necessary for the Official Statement or otherwise, within 24 hours after the award of the Series 2017E Bonds.

FURTHER INFORMATION: The State has prepared a Preliminary Official Statement which it deems, for purposes of S.E.C. Rule 15c2-12, to be final and complete as of this date except for the omission of the offering prices, interest rates, and any other terms of the Series 2017E Bonds depending on such matters, and the identity of the purchasers, subject to revision, amendment, and completion in a final Official Statement. By submission of its bid, the successful bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Upon the award of the Series 2017E Bonds, the State will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions, and revisions as required to complete the Official Statement. A copy of the Preliminary Official Statement and the PARITY® Bid Form may be obtained from the Office of the State Treasurer, 1101 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi, 39201, (601) 359-3600, Attention: Mr. Jesse Graham, Deputy Treasurer, or from the Department of Finance and Administration, 1301 Woolfolk Building, Suite A, 501 North West Street, Jackson, Mississippi 39201, (601) 359-3160, Attention: Mr. Steven McDevitt, Director, Bond Advisory Division. The Preliminary Official Statement is also available on www.i-dealprospectus.com.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the State will undertake, pursuant to the Series 2017E Bonds Resolution and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Failure of the State to deliver the Continuing Disclosure Certificate at the time of issuance and delivery of the Series 2017E Bonds shall relieve the successful bidder from its obligation to purchase the Series 2017E Bonds.

By order of the State Bond Commission of the State of Mississippi, on November 8, 2017.

STATE BOND COMMISSION
STATE OF MISSISSIPPI

By: /s/ Jim Hood
Jim Hood, Attorney General, and
Ex-Officio Secretary, State Bond Commission