



December 18, 2019

Trustmark National Bank
Attn: Kelly Lawson
145 N. Magnolia St.
Laurel, MS 39440

and

Mayor and City Council of
the City of Laurel, Mississippi

RE: Lease and Option to Purchase dated as of December 18, 2019, between Trustmark National Bank and the City of Laurel, Mississippi

Ladies and Gentlemen:

We have acted as special tax counsel to the City of Laurel, Mississippi (the "**City**") in connection with a transaction the Lease and Option to Purchase dated as of December 18, 2019 (the "**Lease**"), between the City, acting through its Mayor and City Council (the "**Governing Body**"), and Trustmark National Bank (the "**Lessor**"). Under the Lease, the City has the use of and an option to purchase certain equipment on certain conditions upon payment of the rentals and purchase price set forth therein.

We have reviewed an executed copy of the Lease, the Resolution of the Governing Body adopted December 17, 2019 authorizing and approving the execution of the Lease (the "**Resolution**") and that certain Federal Tax Certificate of the City dated as of December 18, 2019 (the "**Tax Certificate**"). In addition, we have reviewed and considered the Internal Revenue Code of 1986, as amended from time to time (the "**Code**"), and the applicable regulations thereunder promulgated by the United States Treasury Department ("**Treasury Regulations**"), and other applicable State of Mississippi (the "**State**") and local statutes and regulations.

In rendering the opinion set forth herein, we have assumed without undertaking to investigate the same by independent investigation or research that (a) the Lease has been duly authorized and executed and constitutes a valid and binding obligation of the parties thereto, (b) the City will comply with the information reporting requirements of Section 149 of the Code, and (c) the City has fully complied with and fulfilled and will continue to fully comply with and fulfill all covenants and requirements of the Lease, the Resolution and the Tax Certificate.

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City of Laurel, Mississippi
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Reference is made to the opinion of the counsel for the City, that the Lease, the Resolution and the Tax Certificate have been duly authorized, executed and delivered by the City and are valid and binding obligations of the City.

Based upon the foregoing review and assumptions, it is our opinion that, under existing law and current rulings and official interpretations of law by the United States Internal Revenue Service: (1) the lease constitutes an obligation of the City within the meaning of §103 of the Code and applicable Treasury Regulations; and (2) the interest portion of each rental payment paid by the City under the Lease is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. It should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest portions are taken into account in determining adjusted current earnings. The opinions set forth in this paragraph are subject to the condition that the City comply with all requirements of the Code (and other applicable State and local laws) that must be satisfied subsequent to the execution and delivery of the Lease in order that interest thereon be, or continue to be, excludable from gross income for federal and State and local income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of the interest portion of each lease payment in gross income for federal, State and local income tax purposes retroactive to the date of the execution and delivery of the Lease.

In addition, under existing law and current rulings, the interest portion of each rental payment paid by the City under the Lease is not includable in gross income for State income tax purposes.

Section 265(b)(1) of the Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their otherwise allowable interest expense allocable to tax exempt obligations acquired after August 7, 1986 (other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code). The City has designated the Lease as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3)(B) of the Code.

We express no opinion regarding other federal tax consequences arising with respect to the Lease. No attorney-client relationship has existed or exists between us and anyone other than the City.

For the purposes of this opinion, our services as special tax counsel have not extended beyond the examinations and expressions of the conclusions referred to above. We are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of any statements made in connection with the financial condition or capabilities of the City or upon any Federal or State tax consequences arising from the receipt or accrual of the interest portion of each rental payment paid under the Lease or the ownership or disposition thereof, except those specifically addressed herein.

Trustmark National Bank
City of Laurel, Mississippi
December 18, 2019

The opinions expressed herein are expressed only as of the date hereof and are based on an analysis of existing laws, regulations, rulings and court decisions. These opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof, and we disclaim any obligation to update this letter.

Very truly yours,

BUTLER SNOW LLP