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### PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$125,984.00	11-17-2017	11-20-2019	38626	J / 7	389285	***	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** SOUTHERN WATER & SEWER DISTRICT  
PO BOX 610  
MCDOWELL, KY 41647-0610

**Lender:** CITIZENS BANK OF KENTUCKY  
LEFT BEAVER  
PO BOX 1488  
PAINTSVILLE, KY 41240-1488

**Principal Amount: \$125,984.00**

**Date of Note: November 17, 2017**

**PROMISE TO PAY.** SOUTHERN WATER & SEWER DISTRICT ("Borrower") promises to pay to CITIZENS BANK OF KENTUCKY ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Twenty-five Thousand Nine Hundred Eighty-four & 00/100 Dollars (\$125,984.00), together with interest on the unpaid principal balance from November 17, 2017, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 4.250% per annum based on a year of 360 days, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in 23 regular payments of \$1,989.53 each and one irregular last payment estimated at \$89,562.66. Borrower's first payment is due December 20, 2017, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on November 20, 2019, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: CITIZENS BANK OF KENTUCKY, PO BOX 1488 PAINTSVILLE, KY 41240-1488.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the total sum due under this Note will continue to accrue interest at the interest rate under this Note.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest



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**PROMISSORY NOTE  
(Continued)**

**Loan No: 38626**

**Page 2**

immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. This Note has been accepted by Lender in the Commonwealth of Kentucky.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of JOHNSON County, Commonwealth of Kentucky.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

**APPRAISAL FEE REIMBURSEMENT.** If any adoption of or change in law or regulation, or in the interpretation or administration thereof by any official authority, or any requirement or condition imposed or recommended by any official authority, shall cause Citizens Bank of Kentucky to obtain one or more updated appraisals of any collateral securing payment of this Note, Customer shall, promptly upon demand by Citizens Bank of Kentucky, reimburse Citizens Bank of Kentucky for the cost of each such appraisal.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

**PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.**

**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

**BORROWER:**

**SOUTHERN WATER & SEWER DISTRICT**

By: Dean Hall  
**DEAN HALL, MANAGER of SOUTHERN WATER & SEWER DISTRICT**



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### CHANGE IN TERMS AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$89,249.84	11-17-2017	11-20-2021	38626	J / 7	389285	***	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** SOUTHERN WATER & SEWER DISTRICT  
PO BOX 610  
MCDOWELL, KY 41647-0610

**Lender:** CITIZENS BANK OF KENTUCKY  
LEFT BEAVER  
PO BOX 1488  
PAINTSVILLE, KY 41240-1488

**Principal Amount: \$89,249.84**

**Date of Agreement: November 25, 2019**

**DESCRIPTION OF EXISTING INDEBTEDNESS.** PROMISSORY NOTE DATED 11-17-2017.

**DESCRIPTION OF CHANGE IN TERMS.** TERM, RATE, PMT AMT.

**PROMISE TO PAY.** SOUTHERN WATER & SEWER DISTRICT ("Borrower") promises to pay to CITIZENS BANK OF KENTUCKY ("Lender"), or order, in lawful money of the United States of America, the principal amount of Eighty-nine Thousand Two Hundred Forty-nine & 84/100 Dollars (\$89,249.84), together with interest on the unpaid principal balance from November 22, 2019, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 5.750% per annum based on a year of 360 days, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

**PAYMENT.** Borrower will pay this loan in 23 regular payments of \$2,088.52 each and one irregular last payment estimated at \$49,297.68. Borrower's first payment is due December 20, 2019, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on November 20, 2021, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**INTEREST CALCULATION METHOD.** Interest on this loan is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this loan is computed using this method.

**PREPAYMENT.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Agreement, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: CITIZENS BANK OF KENTUCKY, PO BOX 1488 PAINTSVILLE, KY 41240-1488.

**LATE CHARGE.** If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the total sum due under this Agreement will continue to accrue interest at the interest rate under this Agreement.

**DEFAULT.** Each of the following shall constitute an Event of Default under this Agreement:

**Payment Default.** Borrower fails to make any payment when due under the indebtedness.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the indebtedness. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired.



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### CHANGE IN TERMS AGREEMENT (Continued)

Loan No: 38626

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**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Agreement and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Agreement if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the Commonwealth of Kentucky.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of JOHNSON County, Commonwealth of Kentucky.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

**CONTINUING VALIDITY.** Except as expressly changed by this Agreement, the terms of the original obligation or obligations, including all agreements evidenced or securing the obligation(s), remain unchanged and in full force and effect. Consent by Lender to this Agreement does not waive Lender's right to strict performance of the obligation(s) as changed, nor obligate Lender to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s). It is the intention of Lender to retain as liable parties all makers and endorsers of the original obligation(s), including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, will not be released by virtue of this Agreement. If any person who signed the original obligation does not sign this Agreement below, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing party consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension, modification or release, but also to all such subsequent actions.

**SUCCESSORS AND ASSIGNS.** Subject to any limitations stated in this Agreement on transfer of Borrower's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Borrower, Lender, without notice to Borrower, may deal with Borrower's successors with reference to this Agreement and the indebtedness by way of forbearance or extension without releasing Borrower from the obligations of this Agreement or liability under the indebtedness.

**MISCELLANEOUS PROVISIONS.** If any part of this Agreement cannot be enforced, this fact will not affect the rest of the Agreement. Lender may delay or forgo enforcing any of its rights or remedies under this Agreement without losing them. Borrower and any other person who signs, guarantees or endorses this Agreement, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Agreement, and unless otherwise expressly stated in writing, no party who signs this Agreement, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Agreement are joint and several.

**PRIOR TO SIGNING THIS AGREEMENT, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT. BORROWER AGREES TO THE TERMS OF THE AGREEMENT.**

**BORROWER:**

**SOUTHERN WATER & SEWER DISTRICT**

By: Jeff Prater  
JEFF PRATER, CHAIRMAN of SOUTHERN WATER & SEWER DISTRICT

Loan No: 389285 - 38626

## MODIFICATION AGREEMENT

**THIS MODIFICATION AGREEMENT** is made as of this 2 day of **December**, 2021, between **Citizens Bank of Kentucky**, a banking corporation organized under the laws of the Commonwealth of Kentucky (hereinafter "Bank"), Southern Water & Sewer District, (the "Borrower," whether one or more in number).

**Definitions.** As used in this Modification Agreement, the terms have the following meanings:

**Borrower.** Refers to any individual or entity signing this Modification Agreement, either individually, collectively, or on behalf of a legal entity, including all heirs, assigns, executors and administrators.

**Bank.** Refers to Citizens Bank of Kentucky, its participants or syndicators, successors, assigns or any person or entity which acquires an interest in this Modification Agreement or the underlying Promissory Note, collateral and relevant loan documents.

**Promissory Note.** Refers to the previous agreement(s) Borrower made with the Bank to repay money borrowed, including all loan agreements, Promissory Notes, or other document which evidences Borrower's indebtedness and obligation to pay the Bank, including but not limited to all extensions, renewals, prior modifications and substitutions.

**Collateral.** Refers to all property in which the Borrower granted Bank an interest or Mortgage to secure repayment of the monies loaned to Borrowers pursuant to the terms of the Promissory Note and all loan documents.

**Loan Documents.** Refers to all Mortgages, Security Agreements, Loan Agreements, UCC-1 or any other documents executed by the Borrower in conjunction with the Promissory Note referenced in this Modification Agreement.

**Recitals.** On the 17<sup>th</sup> day of November, 2017, Borrowers executed a Promissory Note, along with other loan documents, for the original indebtedness of One Hundred Twenty-Five Thousand Nine Hundred Eighty-Four & 00/100 Dollars

(\$ 125,984.00) owed to Bank. As of the date of this Modification Agreement, the current principal balance of the indebtedness is Forty-Eight Thousand Nine Hundred Eighty-One & 98/100 Dollars (\$ 48,981.98).

**Modification.** For value received, Borrower and the Bank agree to modify the terms of the Promissory Note only to the following extent, with all other terms of the loan documents remaining in full force and effect. If any boxes below are checked, only those terms shall modify the Promissory Note.

1. **Interest Rate:**

**Variable Interest Rate:** Interest rate is subject to change from time to time based on changes in the independent Index which is \_\_\_\_\_ (the "Index"). If the Index becomes unavailable during the term of this loan,

Lender may designate a substitute Index after notifying the borrower. The Index currently is \_\_\_\_\_ % per annum. Interest on the unpaid principal will be calculated using a rate equal to the current Index or \_\_\_\_\_ percentage point above the Index adjusted daily with a floor of \_\_\_\_\_ % and a ceiling of \_\_\_\_\_ % not to exceed the maximum rate allowed by applicable law.

**Fixed Rate:** Interest rate is changed to a fixed rate of 4.250 % per annum.

**2. Payment Terms:**

The maturity date of the Promissory Note is changed to \_\_\_\_\_, 20\_\_\_\_.  
Ex. (LOC's or Administrative Ext)

Payable on demand, or on \_\_\_\_\_, 20\_\_\_\_ if demand is not sooner made (the time of payment is herein referred to as "Maturity"). Ex. (Letter of Credit)

**Single Payment:** Borrower will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on \_\_\_\_\_, 20\_\_\_\_ (herein referred to as "Maturity Date")

**Principal & Interest:** Payable in 23 equal consecutive principal and interest payments of \$ 2130.86 each, commencing on December 20th, 2021 and on the same calendar day of each such calendar period thereafter and my final payment will be for all outstanding principal plus all accrued unpaid interest due on November 20th, 2023 (herein referred to as "Maturity").

**Interest Only:** payable monthly beginning \_\_\_\_\_, 20\_\_\_\_ and consecutively on the same calendar day of each such calendar period thereafter. Borrower will pay this loan in one payment of all outstanding principal, plus all accrued unpaid interest on \_\_\_\_\_, 20\_\_\_\_ (herein referred to as "Maturity Date")

**Modification fee:** \$ 400.00

The Bank reserves the right to adjust the fixed payment amount on an annual basis to an amount sufficient to maintain the initial amortization period. A negative amortization will not be allowed.

Bank shall charge a prepayment premium equal to N/A of the outstanding principal balance should the borrower refinance and payoff the loan prior to maturity. This penalty will not be assessed, should the property be sold by the Borrower or the loan is refinanced with Citizens Bank of Kentucky.

**Continuation of Terms.** Except as specifically amended in this Modification Agreement, all terms of the Promissory Note and loan documents remain in effect.

**Interpretation.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used, to interpret or define the terms of this Modification.

**Security.** It is mutually agreed between and among the parties hereto that nothing herein contained shall in any way impair the collateral security now held for the indebtedness evidenced by the Promissory Note, Mortgage(s) and/or Security Agreements, nor waive, annul, vary or affect any provision, condition, covenant or agreement contained in the Promissory Note, except as herein amended, nor affect or impair any rights, powers or remedies under the Promissory Note. This Modification Agreement does not extend the expiration date(s) or enlarge the term(s) of any property, physical damage, credit and/or any other insurance written in connection with and/or financed by said Promissory Note. Except as herein and hereby expressly modified, said Modification Agreement, along with the Promissory Note and loan documents, contains the entire agreement of the parties and the undersigned do hereby ratify and confirm the terms of said Modification, all of which shall remain in full force and effect, as modified herein.

**IN WITNESS HEREOF**, the Modification Agreement is executed (1) if by individuals, by hereunto setting their hands under seal by adoption of the word "SEAL" appearing next to the individual's names. (2) if by a corporation, by the duly authorized officers of the corporation on its behalf under seal by adoption of the facsimile seal printed hereon for such purpose or, if an impression seal appears hereon, by affixing such impression seal, or (3) if by a partnership or limited liability company, by the duly authorized partners of the partnership or members/managers of the limited liability company on its behalf under seal by adoption of the word "SEAL" appearing next to the name of the partnership or limited liability company and/or the signatures of the partners or members/managers, as of the day and year first above written.

CITIZENS BANK OF KENTUCKY

BORROWER

Southern Water & Sewer District

(NAME OF CORPORATION, LLC OR PARTNERSHIP)

BY: \_\_\_\_\_  
Loan Officer  
VP/Retail Banking Officer  
Title

By: \_\_\_\_\_ (Seal)  
Title Chairman Date

By: \_\_\_\_\_ (Seal)  
Title Date

By: \_\_\_\_\_ (Seal)  
Title Date

Guarantors Consent:

Individuals:

\_\_\_\_\_

\_\_\_\_\_  
Signature Date (Seal)

\_\_\_\_\_

\_\_\_\_\_  
Signature Date (Seal)

\_\_\_\_\_  
Signature Date (Seal)

COMMONWEALTH OF KENTUCKY

\_\_\_\_\_ COUNTY

I, \_\_\_\_\_, a Notary Public of the aforesaid County and State, do hereby certify that \_\_\_\_\_ personally appeared before me this day and acknowledged the foregoing instrument.

Witness my hand and official seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

My commission expires: \_\_\_\_\_

(Seal)

\_\_\_\_\_

(Notary Public)

COMMONWEALTH OF KENTUCKY

\_\_\_\_\_ COUNTY

I, \_\_\_\_\_, a Notary Public of the aforesaid County and State, do hereby certify that \_\_\_\_\_ personally came before me this day and acknowledged that he/she/they is/are \_\_\_\_\_ of \_\_\_\_\_ a corporation/limited liability company, and that he/she/they, as its \_\_\_\_\_ of \_\_\_\_\_, being authorized to do so, executed the foregoing on behalf of the corporation/limited liability company.

Witness my hand and official seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

My commission expires: \_\_\_\_\_

(Seal)

\_\_\_\_\_

(Notary Public)



COMMONWEALTH OF KENTUCKY

\_\_\_\_\_ COUNTY

I, \_\_\_\_\_, a Notary Public of the aforesaid County and State, do hereby certify that \_\_\_\_\_ personally came before me this day and acknowledged that he/she/they is/are \_\_\_\_\_ of \_\_\_\_\_ a corporation/limited liability company, and that he/she/they, as its \_\_\_\_\_ of \_\_\_\_\_, being authorized to do so, executed the foregoing on behalf of the corporation/limited liability company.

Witness my hand and official seal, this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

My commission expires: \_\_\_\_\_

(Seal)

\_\_\_\_\_  
(Notary Public)