

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No.	Call / Coll	Account	Officer	Initials
\$174,250.00	11-18-2021	11-18-2028	520285400	01/15/0033		DCR	

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: Kirksville Water Association, Inc.
P.O. Box 670
Richmond, KY 40476

Lender: 1st Trust Bank, Inc.
Richmond
360 Eastern Bypass
Richmond, KY 40475

Principal Amount: \$174,250.00 **Interest Rate:** 4.500% **Date of Note:** November 18, 2021

PROMISE TO PAY. Kirksville Water Association, Inc. ("Borrower") promises to pay to 1st Trust Bank, Inc. ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Seventy-four Thousand Two Hundred Fifty & 00/100 Dollars (\$174,250.00), together with interest on the unpaid principal balance from November 18, 2021, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 4.500% per annum, 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 83 regular payments of \$1,102.59 each and one irregular last payment estimated at \$131,135.16. Borrower's first payment is due December 18, 2021, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on November 18, 2028, 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; 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. All payments must be made in U.S. dollars and must be received by Lender consistent with any written payment instructions provided by Lender. If a payment is made consistent with Lender's payment instructions but received after normal business hours Monday-Friday, Lender will credit Borrower's payment on the next business day.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/365 simple interest basis; that is, by applying the ratio of the interest rate over the number of days in a year (365 for all years, including leap years), 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; MINIMUM INTEREST CHARGE. 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. In any event, even upon full prepayment of this Note, Borrower understands that Lender is entitled to a minimum interest charge of \$10.00. Other than Borrower's obligation to pay any minimum interest charge, 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: 1st Trust Bank, P.O. Box 1059 Hazard, KY 41701.

MAXIMUM LATE CHARGE. My late charge for one pay period will not exceed \$100.00

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$10.00, whichever is greater.

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.

Insolvency. 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.

Change In Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

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 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 Madison 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.

COLLATERAL. Borrower acknowledges this Note is secured by the following collateral described in the security instrument listed herein: a Mortgage dated November 18, 2021, to Lender on real property located in Madison County, Commonwealth of Kentucky.

PROMISSORY NOTE
(Continued)

ARBITRATION. Borrower and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Note or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any collateral securing this Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any collateral securing this Note, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral securing this Note, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Note shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

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.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: 1st Trust Bank P.O. Box 1059 Hazard, KY 41702.

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:

KIRKSVILLE WATER ASSOCIATION, INC.

By: Wayne Long, President of Kirksville Water Association, Inc.

By: Randal Lee Webb, Secretary of Kirksville Water Association, Inc.

LENDER:

1ST TRUST BANK, INC.

X Don C. Reynolds, Market President

DOCUMENT NO: 2014093071
RECORDED: May 23, 2022 09:11:00 AM
TOTAL FEES: \$46.00
COUNTY CLERK: KENNY BARGER
DEPUTY CLERK: BRIAN ABNEY
COUNTY: MADISON COUNTY
BOOK: MC394 PAGES: 381 - 381

RELEASE OF MORTGAGE

1ST Trust Bank Inc., which is organized and existing under the law of Kentucky and holder of that certain mortgage made and executed by:

Kirksville Water Association, Inc. a Kentucky Corporation, as Mortgagor, and 1ST Trust Bank Inc. as Mortgagee, on November 18, 2021. This document certifies that the Mortgage has been fully paid, satisfied or otherwise discharges. The Mortgage was recorded on November 22, 2021, in the Madison County Clerk of Court, for Madison County, Kentucky and is indexed as Book M2112, Pages 322-339. The Mortgage having been complied with, the undersigned release the Mortgage and all its right, title and interest in the property located at, 1613 Foxhaven Drive, Madison County, Richmond, Kentucky.

Dan C. Reynolds, Mkt. Pres.

Dan C. Reynolds, Market President

ACKNOWLEDGEMENT.

COMMONWEALTH OF KENTUCKY, COUNTY of MADISON ss.

This instrument was acknowledged before me this 19th day of May, 2022 by Dan C. Reynolds, Market President of 1st Trust Bank, Inc., Lender of behalf of the business entity, I certify (1) that the person acknowledging or had satisfactory evidence that the person acknowledging was the person described in and who executed the instrument.

Notary Public: Walter Howard exp. 3/11/2023

This instrument was prepared by:
Sheila Rison

Sheila Rison
1st Trust Bank Inc.
360 Eastern ByPass
Richmond, Ky. 40475

Please return recorded release to:

1st Trust Bank
360 Eastern ByPass
Richmond, Ky. 40475
Attention: Sheila Rison

Transaction Report for CL-520285100

Bank #: 019 1st Trust Bank
 User: Khoward Katherine Howard

Customer

Kirksville Water Association Inc
 Wayne S Long
 Randall L Webb
 P. O. Box 1150
 Richmond, KY 40476-1150

Relationship

Borrower \$ S
 Authorized signer \$ S
 Authorized signer \$ S

Post Date Eff Date	Transaction Code	Debits	Credits	Balance Escrow Balance	Principal Amount Interest Amount	Description	Additional Information
5/19/2022	75 Loan payoff credit		\$171,517.55	\$0.00	\$171,496.87		1/0/1448 POD
5/10/2022	77 Loan payment - collect billed interest		\$1,102.59	\$171,496.87	\$467.11		1/0/336 POD
4/8/2022	77 Loan payment - collect billed interest		\$1,102.59	\$171,963.98	\$444.61		1/0/1158 POD
3/15/2022	77 Loan payment - collect billed interest		\$1,102.59	\$172,408.59	\$504.16		1/0/837 POD
3/4/2022	77 Loan payment - collect billed interest		\$1,102.59	\$172,912.75	\$440.32		1/0/956 POD
3/4/2022	79 Late charge credit		\$55.13	\$173,353.07	\$55.13		0/0/444 System
2/28/2022	78 Late charge debit	\$55.13		\$173,353.07	\$55.13		0/0/1128 System
1/13/2022	77 Loan payment - collect billed interest		\$1,102.59	\$173,353.07	\$438.82		1/0/1337 POD
12/10/2021	77 Loan payment - collect billed interest		\$1,102.59	\$173,791.89	\$458.11		1/0/233 POD
12/3/2021	33 Adjustment Miscellaneous Interest Debit	\$322.24		\$174,250.00	\$0.00		0/0/421 Adjustment System
12/3/2021	31 Principal Disbursement		\$174,250.00	\$174,250.00	\$322.24		60/300/9998 System By cslacy

Transaction Report for CL-520285100

Bank #: 019 1st Trust Bank

User: khoward Katherine Howard

Customer

Relationship

Kirksville Water Association Inc
 Wayne S Long
 Randall L Webb
 P.O. Box 1150
 Richmond, KY 40476-1150

Borrower \$ S
 Authorized signer \$ S
 Authorized signer \$ S

Post Date	Transaction Code	Debits	Credits	Balance	Principal Amount	Description	Additional Information
11/18/2021	99 Rate Change Rate changed to 4.500%			\$0.00			010/420 System