

## MODIFICATION AND EXTENSION AGREEMENT

Account # 31000378943

This **MODIFICATION AND EXTENSION AGREEMENT** (the "Agreement"), is made as of September 29, 2019 (the "Effective Date"), by and between **CENTRAL BANK & TRUST CO.**, a Kentucky banking corporation, with an address at 300 W. Vine Street Lexington, Kentucky 40507 ("Lender") and **Jessamine-South Elkhorn Water District**, with an address at 802 S Main Street Nicholasville, Kentucky 40356 ("Borrower").

1. **Recitals.**

- 1.1 On 09/29/2014 Borrower executed and delivered to Lender a \$304,000.00 Commercial Note ("Note"). Capitalized terms used herein and not otherwise defined will have the meanings given such terms in the Note. As used herein "Note" will mean such documents as they may have been amended prior to the Effective Date.
- 1.2 Borrower and Lender desire to amend the Note and all other documents executed in connection therewith (collectively, "Loan Documents") pursuant to this Modification and Extension Agreement ("Agreement") as set forth herein.

2. **Amendment.**

- 2.1 The Maturity Date of the Note, at which time all unpaid principal, accrued interest and other charges, fees and expenses shall be due and payable in full, shall be September 29, 2024 (the "Maturity Date"), or such later date as may be designated by Lender by written notice from Lender to Borrower (it being understood that in no event will Lender be under any obligation to extend or renew this Note beyond the initial or any extended Maturity Date). If this blank is not completed, the Note shall be deemed to be payable on demand.

- 2.2 Interest shall accrue on the outstanding principal balance of the Note, based on the actual number of days elapsed over an assumed year of 360 days, at the rate per annum equal to:

**Fixed Rate.** This Note shall bear interest at a fixed rate equal to 4.00% per annum;

All interest on the principal of this Note shall be computed on the basis of the actual number of days elapsed over an assumed year of 360 days for the actual number of days in each interest period. If this loan transaction involves a principal amount of \$15,000.00 or less, it has been made pursuant to the provisions of Kentucky Revised Statutes Chapter 286.6.

- 2.3 Borrower shall make payments on the Note as follows:

**Principal and Interest (fixed).** Borrower shall make payments of principal and interest on this Note, each in the amount of \$6,569.94, beginning on 12/29/2019, and continuing on the 29th day, Quarterly thereafter, until the outstanding principal of this Note and all accrued but unpaid interest thereon are paid in full; provided, however, that all outstanding principal and accrued interest shall be due and payable in full on the Maturity Date;

- 2.4 The Events of Default and Remedies section of the Note is hereby amended to add a new subsection (m), which provides as follows:

or (m) Borrower or any Guarantor is a professional who is required by applicable law to possess a license to engage in their profession, and such license is terminated, surrendered, revoked, suspended, or such Borrower or any Guarantor is otherwise prevented from legally practicing in such profession.

3. **Loan Documents.** The terms, conditions and provisions of the Loan Documents are incorporated herein and made a part hereof by this reference as if fully set forth herein. The Loan Documents shall be deemed to be amended hereby to the minimum extent necessary to reflect the amendments to the Note contained in this Agreement. The Loan Documents shall remain in full force and effect and shall remain as security for the payment of all principal, interest and other charges, fees and expenses due and payable under the Note.

4. **Representations and Warranties.** To induce Lender to enter into this Agreement, Borrower represents and warrants as follows:

- 4.1 The representations and warranties of Borrower contained in the Loan Documents are deemed to have been made again on and as of the date of execution of this Agreement.
- 4.2 No Event of Default (as such term is defined in the Loan Documents) or event or condition which with the lapse of time or giving of notice or both would constitute an Event of Default exists on the date hereof.
- 4.3 Borrower represents and warrants that Borrower has no claims, counterclaims, setoffs, actions or causes of actions, damages or liabilities of any kind or nature whatsoever whether at law or in equity, in contract or in tort, whether now accrued or hereafter maturing (collectively, "Claims") against Lender, its direct or indirect parent corporation or any direct or indirect affiliates of such parent corporation, or any of the foregoing's respective directors, officers, employees, agents, attorneys and legal representatives, or

the heirs, administrators, successors or assigns of any of them (collectively, "Lender Parties") that directly or indirectly arise out of, are based upon or are in any manner connected with any Prior Related Event. As an inducement to Lender to enter into this Agreement, Borrower on behalf of itself, and all of its successors and assigns hereby knowingly and voluntarily releases and discharges all Lender Parties from any and all Claims, whether known or unknown, that directly or indirectly arise out of, are based upon or are in any manner connected with any Prior Related Event. As used herein, the term "Prior Related Event" means any transaction, event, circumstance, action, failure to act, occurrence of any sort or type, whether known or unknown, which occurred, existed, was taken, permitted or begun at any time prior to the Effective Date or occurred, existed, was taken, was permitted or begun in accordance with, pursuant to or by virtue of any of the terms of the Loan Documents or any documents executed in connection with the Loan Documents or which was related to or connected in any manner, directly or indirectly to the extension of credit represented by the Loan Documents.

5. **General.**
- 5.1 Except as expressly modified herein, the Loan Documents, as amended, are and remain in full force and effect.
  - 5.2 Nothing contained herein will be construed as waiving any default or Event of Default under the Loan Documents or will affect or impair any right, power or remedy of Lender under or with respect to the Loan Documents, as amended, or any agreement or instrument guaranteeing, securing or otherwise relating to any of the Loan.
  - 5.3 All representations and warranties made by Borrower herein will survive the execution and delivery of this Agreement.
  - 5.4 This Agreement will be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns.
  - 5.5 Borrower will pay Lender a fee of Origination: \$250.00 and Lender's attorneys fees of \$ in connection with this Agreement. [Lender may deduct such fees from the proceeds of the additional advance contemplated by this Agreement.]
  - 5.6 This Agreement will in all respects be governed and construed in accordance with the laws of the Commonwealth of Kentucky.
  - 5.7 A copy of this Agreement may be attached to the Note as an allonge.
6. **Complete Agreement.** This Agreement and the Note and Loan Documents, as may have been modified in accordance with the terms of such instruments, are the entire and complete agreement of the parties hereto and supersede all previous understandings and agreements relating to the subject matter hereof. This Agreement may be amended only by an instrument in writing that explicitly states that it amends this Agreement and is signed by Borrower and acknowledged by Lender.
7. **Severability.** The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

Executed as of the Effective Date.

LENDER:

CENTRAL BANK & TRUST CO.

  
Adam Rodgers,  
Commercial Lending Officer

BORROWER:

Jessamine-South Elkhorn Water District

  
Lowell N. Strong - Chairman