USDA Form RD 440-22 (Rev. 6-98)

PROMISSORY NOTE (ASSOCIATION OR ORGANIZATION)

State					
KENTUCKY					
County			-		
DAVIESS					
Case No.					
20-30-610739440					
FINANCE OFFICE USE ONLY					
F	LN	LC	IA		
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KIND OF LOAN:	
XX ASSOCIATION- ORGANIZAT	ION
HOUSING-ORGANIZATION	
☐ PUBLIC BODY	
☐ OTHER	

foregoing schedule of payments.

Date AUGUST 7, 2006
FOR VALUE RECEIVED, <u>EAST DAVIESS COUNTY WATER ASSOCIATION</u> , INC. (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Rural Housing Service, Rural Business-Cooperative Service, or Rural Utilities Service within the Rural Development Mission Area, the Farm Service Agency, or their
successor Agencies, United States Department of Agriculture, (herein called the "Government") at its office in 320 B
TRAYLOR STREET, PRINCETON, KY 42445, or at such other place as the Government may hereafter designate in
writing, the principal amount of FIVE HUNDRED EIGHTY-FIVE THOUSAND AND NO/100dollars
(\$_585,000.00), plus interest on the unused principal balance at the rate of FOUR AND THREE-EIGHTHSpercent
(4.375%) per annum. The said principal and interest shall be paid in the following installments on or before the following dates:
\$ 31,228.00 on AUGUST 7, 2007 , \$ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
if not sooner paid, shall be due and payable FORTY (40) years from the date of this note, and except

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

that prepayments may be made as provided below. The consideration herefor shall support any agreement modifying the

Every payment made on any indebtedness evidenced by this note shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this note and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder. No assignment of this note shall be effective unless the Borrower is notified in writing of the name and address of the assignee. The Borrower shall thereupon duly note in its records the occurrence of such assignment, together with the name and address of the assignee.

While this note is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment of Borrower, and the theoremment will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security hereto, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes

and periods of time.

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

Default hereunder shall constitute default under any other instrument evidencing a debt or other obligation of Borrower to the Government or securing such a debt or other obligation and default under any such other instrument shall constitute default hereunder. Upon any such default, the Government at its option may declare all or any part of any such indebtedness immediately due and payable.

This note is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act if the box opposite "Association" is checked under the heading "KIND OF LOAN," or pursuant to Title V of the Housing Act of 1949 if the box opposite "HOUSING-ORGANIZATION" is checked. This note shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

Presentment, protest, and not	ice are hereby waived.				
		EAST DA	VIESS	COUNTY WATER	ASSOCIATION, INC.
CORPORATE SEAL) ATTEST: Cletus Delvi CLETUS GREER (Signature of Attesting Official)		JEROME HAMILTON (Signature of Executive Official)			
		PRESIDENT			(Title of Executive Official)
		9210 KY HWY 144 (Post Office Box No. or Street Address)			
SECRETARY (Title of Attesting Official)		PHILPOT	KY, KY	42366	(City, State, and Zip Code)
	RECO	ORD OF AD	OVANC	ES	
AMOUNT	DATE			AMOUNT	DATE
(1)\$ 350,697.36	8/07/2006		(6).\$	20,456.00	06/04/2007
(2) \$ 62,345.47	8/17/2006		(7) \$		
(3) \$ 12,503.96	11/02/2006		(8) \$		
(3) \$ 26,707.50	01/26/2007		(9) \$		
(5)\$ 6,982.50	02/27/2007	(10)\$		
		TOTAL			
PAY TO THE ORDER OF					
, Approximately and a state of the					
				UNITED STATES	OF AMERICA
				. (1	Name of Agency)
			В	Y	