

Description of Proposed Indebtedness

1. A full description of all terms of the new loans.

The terms of the proposed refinancing are included in Exhibit 1.

2. The interest rates of the proposed notes.

See Exhibit 1.

3. Whether the proposed loans will be secured and, if secured, how it is secured.

Former Central Bank Note 2 (refinanced as Farmers Bank Note 2) is secured by the Water District's Office Building at 802 South Main Street, Nicholasville, Kentucky. Former Central Bank Note 1 (refinanced as Farmers Bank Note 1) is unsecured.

4. The expenses and application of the proceeds of the proposed indebtedness.

See Exhibit 1.

5. The total principal amount of each prior loan.

See Exhibit 5.

6. The interest rate of each prior loan.

See Exhibit 5.

7. The length of time that each of the prior loans were held.

See Exhibit 5. The obligations have been held since the issuance date.

8. The payees.

The Farmers Bank, Nicholasville, Kentucky.

9. The term of each new loan.

Note 1 is a 24-month note; Note 2 is to be amortized over 10 years.

10. The date of issuance for each series of outstanding notes.

See Exhibit 5 for the issuance dates.

11. The amount of each series of outstanding notes.

See Exhibit 5 for the amount of each note.

12. The rate of interest for each series of outstanding notes.

The interest rates are shown on Exhibit 5.

13. Identify in whose favor the notes were issued.

The note holders are identified in Exhibit 5.

14. Other necessary information:

The 2023 Annual Reports are incorporated by reference for any additional information related to the outstanding indebtedness related to this refinancing.