

OUTSTANDING DEBT INSTRUMENTS

KIA Fund B (\$450,000)

Interest Rate: 1.600%

Year	Service Fee	+	Interest Paid	=	Fees and Interest	Principle Paid	Balance
1996	450.00	+	3,472.40	=	3,922.40	5,872.84	444,127.16
1997	882.34	+	7,058.68	=	7,941.02	11,887.02	432,240.15
1998	858.47	+	6,867.72	=	7,726.19	12,077.96	420,162.18
1999	834.21	+	6,673.71	=	7,507.92	12,271.99	407,890.20
2000	809.57	+	6,476.56	=	7,286.13	12,469.12	395,421.08
2001	784.53	+	6,276.26	=	7,060.79	12,669.43	382,751.65
2002	759.09	+	6,072.74	=	6,831.83	12,872.95	369,878.70
2003	733.24	+	5,865.95	=	6,599.19	13,079.73	356,798.96
2004	706.98	+	5,655.83	=	6,362.81	13,289.85	343,509.11
2005	680.29	+	5,442.34	=	6,122.63	13,503.34	330,005.77
2006	653.18	+	5,225.43	=	5,878.61	13,720.26	316,285.51
2007	625.63	+	5,005.02	=	5,630.65	13,940.66	302,344.85
2008	597.63	+	4,781.09	=	5,378.72	14,164.60	288,180.25
2009	569.19	+	4,553.54	=	5,122.73	14,392.14	273,788.11
2010	540.30	+	4,322.34	=	4,862.64	14,623.34	259,164.77
2011	510.93	+	4,087.44	=	4,598.37	14,858.25	244,306.52
2012	481.10	+	3,848.76	=	4,329.86	15,096.93	229,209.59
2013	450.78	+	3,606.24	=	4,057.02	15,339.45	213,870.14
2014	419.98	+	3,359.83	=	3,779.81	15,585.86	198,284.28
2015	388.68	+	3,109.45	=	3,498.13	15,836.23	182,448.05
2016	356.88	+	2,855.06	=	3,211.94	16,090.63	166,357.42
2017	324.58	+	2,596.58	=	2,921.16	16,349.10	150,008.32
2018	291.75	+	2,333.95	=	2,625.70	16,611.74	133,396.58
2019	258.39	+	2,067.10	=	2,325.49	16,878.59	116,517.99
2020	224.50	+	1,795.96	=	2,020.46	17,149.73	99,368.28
2021	190.06	+	1,520.47	=	1,710.53	17,425.22	81,943.06
2022	155.07	+	1,240.55	=	1,395.62	17,705.14	64,237.92
2023	119.52	+	956.13	=	1,075.65	17,989.55	46,248.37
2024	83.40	+	667.15	=	750.55	18,278.54	27,969.83
2025	46.69	+	373.53	=	420.22	18,572.17	9,397.67
2026	9.40	+	75.18	=	84.58	9,397.67	0.00
TOTALS	14,796.36*		118,242.99*		133,039.35	450,000.00	

* Scheduled to new \$14,796.33

* Scheduled to new \$118,243.03

**KENTUCKY INFRASTRUCTURE AUTHORITY
ASSISTANCE AGREEMENT**

FUND B

PROJECT NUMBER: B19-005
GOVERNMENTAL AGENCY (Borrower): Laurel County Water District #2
GOVERNMENTAL AGENCY'S ADDRESS: 3910 South Laurel Road
London, Kentucky 40744

\$445,000



ASSISTANCE AGREEMENT

This Assistance Agreement made and entered into as of the Effective Date (the "Assistance Agreement") by and between the KENTUCKY INFRASTRUCTURE AUTHORITY, a body corporate and politic, constituting a public corporation and governmental agency and instrumentality of the Commonwealth of Kentucky (the "Authority") and LAUREL COUNTY WATER DISTRICT #2 the Governmental Agency identified on the cover of this Assistance Agreement (the "Governmental Agency"):

WITNESSETH

WHEREAS, the General Assembly of the Commonwealth of Kentucky, being the duly and legally constituted legislature of Kentucky at its 1988 Regular Session, enacted House Bill 217 amending Chapter 224A of the Kentucky Revised Statutes (the "Act"), creating the "Kentucky Infrastructure Authority" to serve the public purposes identified in the Act; and

WHEREAS, the Authority has established its Program, as hereinafter defined, for the purpose of providing financial assistance to Governmental Agencies, as defined in the Act, in connection with the acquisition and construction of Projects, as defined in the Act, in order to preserve, protect, upgrade, conserve, develop, utilize and manage the resources of the Commonwealth of Kentucky (the "Commonwealth") for the protection and preservation of the health, safety, convenience, and welfare of the Commonwealth and its citizens, and in that respect to assist and cooperate with Governmental Agencies in achieving such purposes; and

WHEREAS, the Authority has issued, and will issue from time to time, its revenue bonds pursuant to a General Trust Indenture dated as of September 1, 1989 (the "Indenture") between the Authority and U.S. Bank National Association, as successor in interest to National City Bank (f/k/a First Kentucky Trust Company) (the "Trustee") in order to provide the "match funding" for the Program; and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable to acquire, construct, and finance the Project, as hereinafter defined, and the Authority has determined that the Project is a Project within the meaning of the Act and the Indenture, thereby qualifying for financial assistance from the Authority; and

WHEREAS, the Governmental Agency desires to enter into this Assistance Agreement with the Authority for the purpose of securing from the Authority the repayable Loan hereinafter identified; and

WHEREAS, the Authority is willing to cooperate with the Governmental Agency in making available the Loan pursuant to the Act and the Indenture to be applied to the Project upon the conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained to levy, collect, and enforce and remit adequate Service Charges, as hereinafter defined, for the services provided by the Governmental Agency's System, as hereinafter defined, and to apply the necessary portion of said Service Charges to the repayment of the Loan and the interest thereon, as hereinafter specifically provided; and

IN WITNESS WHEREOF, the parties hereto have caused this Assistance Agreement to be executed by their respective duly authorized officers as of the Effective Date.

The Effective Date of this Assistance Agreement is November 21, 2019.

KENTUCKY INFRASTRUCTURE
AUTHORITY

By: Donna McNeil
Executive Director

ATTEST:

By: Margaret J. Fink
Title: SECRETARY

GOVERNMENTAL AGENCY:
LAUREL COUNTY WATER DISTRICT #2

By: Royce Jenkins
Chairman

ATTEST:

By: Ron Ball
Secretary of Governmental Agency

APPROVED:

By: William M. Randrum III
Secretary/Finance and Administration
Cabinet of the Commonwealth of Kentucky

EXAMINED:

By: Julia A. Hayes
Legal Counsel to the
Kentucky Infrastructure Authority by CLJ

APPROVED AS TO FORM AND
LEGALITY:

By: Patrick M. Dineen
Approved, Finance and
Administration Cabinet

KENTUCKY INFRASTRUCTURE AUTHORITY
 ANTICIPATED REPAYMENT SCHEDULE
 LOAN #B19-005
 LAUREL COUNTY WATER DISTRICT #2

0.50% Interest
 \$7,996.07 P & I Calculation

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
06/01/20 ¹	\$6,883.57	\$1,112.50	0.50%	\$7,996.07	\$445.00	\$0.00	\$8,441.07	\$445,000.00		
12/01/20 ¹	\$6,900.78	\$1,095.29	0.50%	\$7,996.07	\$438.12	\$0.00	\$8,434.19	\$438,116.43	\$0.00	\$0.00
06/01/21 ²	\$6,918.03	\$1,078.04	0.50%	\$7,996.07	\$431.22	\$0.00	\$8,427.29	\$431,215.65	\$1,100.00	\$1,100.00
12/01/21 ²	\$6,935.33	\$1,060.74	0.50%	\$7,996.07	\$424.30	\$0.00	\$8,420.37	\$424,297.62	\$0.00	\$1,100.00
06/01/22 ³	\$6,952.66	\$1,043.41	0.50%	\$7,996.07	\$417.36	\$0.00	\$8,413.43	\$417,362.29	\$1,100.00	\$2,200.00
12/01/22 ³	\$6,970.05	\$1,026.02	0.50%	\$7,996.07	\$410.41	\$0.00	\$8,406.48	\$410,409.63	\$0.00	\$2,200.00
06/01/23 ⁴	\$6,987.47	\$1,008.60	0.50%	\$7,996.07	\$396.45	\$0.00	\$8,399.51	\$403,439.58	\$1,100.00	\$3,300.00
12/01/23 ⁴	\$7,004.94	\$991.13	0.50%	\$7,996.07	\$382.42	\$0.00	\$8,392.52	\$396,452.11	\$0.00	\$3,300.00
06/01/24 ⁵	\$7,022.45	\$973.62	0.50%	\$7,996.07	\$375.38	\$0.00	\$8,385.52	\$389,447.17	\$1,100.00	\$4,400.00
12/01/24 ⁵	\$7,040.01	\$956.06	0.50%	\$7,996.07	\$368.33	\$0.00	\$8,378.49	\$382,424.72	\$0.00	\$4,400.00
06/01/25 ⁶	\$7,057.61	\$938.46	0.50%	\$7,996.07	\$361.25	\$0.00	\$8,371.45	\$375,384.71	\$1,100.00	\$5,500.00
12/01/25 ⁶	\$7,075.25	\$920.82	0.50%	\$7,996.07	\$354.16	\$0.00	\$8,364.40	\$368,327.10	\$0.00	\$5,500.00
06/01/26 ⁷	\$7,092.94	\$903.13	0.50%	\$7,996.07	\$347.05	\$0.00	\$8,357.32	\$361,251.85	\$1,100.00	\$6,600.00
12/01/26 ⁷	\$7,110.67	\$885.40	0.50%	\$7,996.07	\$339.92	\$0.00	\$8,350.23	\$354,158.91	\$0.00	\$6,600.00
06/01/27 ⁸	\$7,128.45	\$867.62	0.50%	\$7,996.07	\$332.77	\$0.00	\$8,343.12	\$347,048.24	\$1,100.00	\$7,700.00
12/01/27 ⁸	\$7,146.27	\$849.80	0.50%	\$7,996.07	\$325.61	\$0.00	\$8,335.99	\$339,919.79	\$0.00	\$7,700.00
06/01/28 ⁹	\$7,164.14	\$831.93	0.50%	\$7,996.07	\$318.43	\$0.00	\$8,328.84	\$332,773.52	\$1,100.00	\$8,800.00
12/01/28 ⁹	\$7,182.05	\$814.02	0.50%	\$7,996.07	\$311.23	\$0.00	\$8,321.68	\$325,609.38	\$0.00	\$8,800.00
06/01/29 ³⁰	\$7,200.00	\$796.07	0.50%	\$7,996.07	\$304.01	\$0.00	\$8,314.50	\$318,427.33	\$1,100.00	\$9,900.00
12/01/29 ³⁰	\$7,218.00	\$778.07	0.50%	\$7,996.07	\$296.77	\$0.00	\$8,307.30	\$311,227.33	\$0.00	\$9,900.00
06/01/30 ¹	\$7,236.05	\$760.02	0.50%	\$7,996.07	\$289.52	\$0.00	\$8,300.08	\$304,009.33	\$1,100.00	\$11,000.00
12/01/30 ¹	\$7,254.14	\$741.93	0.50%	\$7,996.07	\$282.25	\$0.00	\$8,292.84	\$296,773.28	\$0.00	\$11,000.00
06/01/31 ²	\$7,272.27	\$723.80	0.50%	\$7,996.07	\$274.96	\$0.00	\$8,285.59	\$289,519.14	\$1,100.00	\$12,100.00
12/01/31 ²	\$7,290.45	\$705.62	0.50%	\$7,996.07	\$267.65	\$0.00	\$8,278.32	\$282,246.87	\$0.00	\$12,100.00
06/01/32 ³	\$7,308.68	\$687.39	0.50%	\$7,996.07	\$260.32	\$0.00	\$8,271.03	\$274,956.42	\$1,100.00	\$13,200.00
12/01/32 ³	\$7,326.95	\$669.12	0.50%	\$7,996.07	\$252.98	\$0.00	\$8,263.72	\$267,647.74	\$0.00	\$13,200.00
06/01/33 ⁴	\$7,345.27	\$650.80	0.50%	\$7,996.07	\$245.61	\$0.00	\$8,256.39	\$260,320.79	\$1,100.00	\$14,300.00
12/01/33 ⁴	\$7,363.63	\$632.44	0.50%	\$7,996.07	\$238.23	\$0.00	\$8,249.05	\$252,975.52	\$0.00	\$14,300.00
06/01/34 ⁵	\$7,382.04	\$614.03	0.50%	\$7,996.07	\$230.83	\$0.00	\$8,241.68	\$245,611.89	\$1,100.00	\$15,400.00
12/01/34 ⁵	\$7,400.50	\$595.57	0.50%	\$7,996.07	\$223.41	\$0.00	\$8,234.30	\$238,229.85	\$0.00	\$15,400.00
06/01/35 ⁶	\$7,419.00	\$577.07	0.50%	\$7,996.07	\$215.97	\$0.00	\$8,226.90	\$230,829.35	\$1,100.00	\$16,500.00
12/01/35 ⁶	\$7,437.54	\$558.53	0.50%	\$7,996.07	\$208.52	\$0.00	\$8,219.48	\$223,410.35	\$0.00	\$16,500.00
06/01/36 ⁷	\$7,456.14	\$539.93	0.50%	\$7,996.07	\$201.04	\$0.00	\$8,212.04	\$215,972.81	\$1,100.00	\$17,600.00
12/01/36 ⁷	\$7,474.78	\$521.29	0.50%	\$7,996.07	\$193.55	\$0.00	\$8,204.59	\$208,516.67	\$0.00	\$17,600.00
06/01/37 ⁸	\$7,493.47	\$502.60	0.50%	\$7,996.07	\$186.04	\$0.00	\$8,197.11	\$201,041.89	\$1,100.00	\$18,700.00
12/01/37 ⁸	\$7,512.20	\$483.87	0.50%	\$7,996.07	\$178.51	\$0.00	\$8,189.62	\$193,548.42	\$0.00	\$18,700.00
06/01/38 ⁹	\$7,530.98	\$465.09	0.50%	\$7,996.07	\$170.96	\$0.00	\$8,182.11	\$186,036.22	\$1,100.00	\$19,800.00
12/01/38 ⁹	\$7,549.81	\$446.26	0.50%	\$7,996.07	\$163.39	\$0.00	\$8,174.58	\$178,505.24	\$0.00	\$19,800.00
06/01/39 ⁴⁰	\$7,568.68	\$427.39	0.50%	\$7,996.07	\$155.80	\$0.00	\$8,167.03	\$170,955.43	\$1,100.00	\$20,900.00
12/01/39 ⁴⁰	\$7,587.60	\$408.47	0.50%	\$7,996.07		\$0.00	\$8,159.46	\$163,386.75	\$0.00	\$20,900.00
06/01/40 ¹	\$7,606.57	\$389.50	0.50%	\$7,996.07		\$0.00	\$8,151.87	\$155,799.15	\$1,100.00	\$22,000.00
								\$148,192.58	\$0.00	\$22,000.00

Note: Principal Payments postponed a year
 No principal payments until 6/1/21

Payment Date	Principal Due	Interest Due	Interest Rate	Principal & Interest	Servicing Fee	Credit Due	Total Payment	Principal Balance	R & M Reserve	Total Reserve
12/01/48 ¹	\$7,625.59	\$370.48	0.50%	\$7,996.07	\$148.19	\$0.00	\$8,144.26	\$140,566.99	\$0.00	\$22,000.00
06/01/48 ²	\$7,644.65	\$351.42	0.50%	\$7,996.07	\$140.57	\$0.00	\$8,136.64	\$132,922.34	\$0.00	\$22,000.00
12/01/48 ²	\$7,663.76	\$332.31	0.50%	\$7,996.07	\$132.92	\$0.00	\$8,128.99	\$125,258.58	\$0.00	\$22,000.00
06/01/48 ³	\$7,682.92	\$313.15	0.50%	\$7,996.07	\$125.26	\$0.00	\$8,121.33	\$117,575.66	\$0.00	\$22,000.00
12/01/48 ³	\$7,702.13	\$293.94	0.50%	\$7,996.07	\$117.58	\$0.00	\$8,113.65	\$109,873.53	\$0.00	\$22,000.00
06/01/48 ⁴	\$7,721.39	\$274.68	0.50%	\$7,996.07	\$109.87	\$0.00	\$8,105.94	\$102,152.14	\$0.00	\$22,000.00
12/01/48 ⁴	\$7,740.69	\$255.38	0.50%	\$7,996.07	\$102.15	\$0.00	\$8,098.22	\$94,411.45	\$0.00	\$22,000.00
06/01/48 ⁵	\$7,760.04	\$236.03	0.50%	\$7,996.07	\$94.41	\$0.00	\$8,090.48	\$86,651.41	\$0.00	\$22,000.00
12/01/48 ⁵	\$7,779.44	\$216.63	0.50%	\$7,996.07	\$86.65	\$0.00	\$8,082.72	\$78,871.97	\$0.00	\$22,000.00
06/01/48 ⁶	\$7,798.89	\$197.18	0.50%	\$7,996.07	\$78.87	\$0.00	\$8,074.94	\$71,073.08	\$0.00	\$22,000.00
12/01/48 ⁶	\$7,818.39	\$177.68	0.50%	\$7,996.07	\$71.07	\$0.00	\$8,067.14	\$63,254.69	\$0.00	\$22,000.00
06/01/48 ⁷	\$7,837.93	\$158.14	0.50%	\$7,996.07	\$63.25	\$0.00	\$8,059.32	\$55,416.76	\$0.00	\$22,000.00
12/01/48 ⁷	\$7,857.53	\$138.54	0.50%	\$7,996.07	\$55.42	\$0.00	\$8,051.49	\$47,559.23	\$0.00	\$22,000.00
06/01/48 ⁸	\$7,877.17	\$118.90	0.50%	\$7,996.07	\$47.56	\$0.00	\$8,043.63	\$39,682.06	\$0.00	\$22,000.00
12/01/48 ⁸	\$7,896.86	\$99.21	0.50%	\$7,996.07	\$39.68	\$0.00	\$8,035.75	\$31,785.20	\$0.00	\$22,000.00
06/01/48 ⁹	\$7,916.61	\$79.46	0.50%	\$7,996.07	\$31.79	\$0.00	\$8,027.86	\$23,868.59	\$0.00	\$22,000.00
12/01/48 ⁹	\$7,936.40	\$59.67	0.50%	\$7,996.07	\$23.87	\$0.00	\$8,019.94	\$15,932.19	\$0.00	\$22,000.00
06/01/48 ⁵⁰	\$7,956.24	\$39.83	0.50%	\$7,996.07	\$15.93	\$0.00	\$8,012.00	\$7,975.95	\$0.00	\$22,000.00
12/01/48 ⁵⁰	\$7,975.95	\$20.12	0.50%	\$7,996.07	\$7.98	\$0.00	\$8,004.05	\$0.00	\$0.00	\$22,000.00
Totals	\$445,000.00	\$34,764.20		\$479,764.20	\$13,905.64	\$0.00	\$493,669.84		\$22,000.00	

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BOND RESOLUTION

LAUREL COUNTY WATER DISTRICT NO. 2

AUTHORIZING

LAUREL COUNTY WATER DISTRICT NO. 2

WATERWORKS REVENUE BONDS, SERIES 2010

IN THE PRINCIPAL AMOUNT OF

\$8,385,000

CONSISTING OF \$6,065,000 OF SERIES A BONDS

← Series A Refinanced
9/23/20 with KRWFC

AND

\$2,320,000 OF SERIES B BONDS

BOND RESOLUTION

RESOLUTION OF THE LAUREL COUNTY WATER DISTRICT NO. 2 AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$8,385,000 PRINCIPAL AMOUNT OF LAUREL COUNTY WATER DISTRICT NO. 2 WATERWORKS REVENUE BONDS, SERIES 2010, CONSISTING OF \$6,065,000 OF SERIES A BONDS AND \$2,320,000 OF SERIES B BONDS FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSIONS, ADDITIONS AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SAID WATERWORKS SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.

WHEREAS, the waterworks system (the "System") of Laurel County Water District No. 2 (the "District") is owned and operated by said District pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds are payable from and secured by a pledge of the revenues derived from the operation of the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to authorize and provide for the issuance of revenue bonds in the principal amount of \$8,385,000, consisting of \$6,065,000 of Series A Bonds and \$2,320,000 of Series B Bonds (the "Current Bonds"), for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the System of the District, in accordance with plans and specifications prepared by MSE of Kentucky, Inc., and to prescribe the covenants of the District, the rights of Bondowners and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued on a parity with the Prior RD Bonds, subject to the vested rights and priorities in favor of the owners of the outstanding Prior Bonds, and

EXHIBIT A-2

Series B Bonds Schedule of Principal Payments

<u>* Payment Due January 1</u>	<u>Principal Payment</u>	<u>Payment Due January 1</u>	<u>Principal Payment</u>
2012	\$ 32,000	2031	\$58,500
2013	33,000	2032	60,500
2014	34,000	2033	62,500
2015	35,000	2034	64,500
2016	36,000	2035	66,500
2017	37,500	2036	68,500
2018	38,500	2037	71,000
2019	40,000	2038	73,000
2020	41,000	2039	75,500
2021	42,500	2040	78,000
2022	44,000	2041	80,500
2023	45,000	2042	83,000
2024	46,500	2043	86,000
2025	48,000	2044	88,500
2026	50,000	2045	91,500
2027	51,500	2046	94,500
2028	53,000	2047	97,500
2029	55,000	2048	100,500
2030	56,500	2049	100,500

*Principal payments delayed for 2 years as a result of delay in project

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EXHIBIT A-2

Series B Bonds Schedule of Principal Payments

2,320,000

<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>	<u>Int</u>	<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>	<u>Int</u>
2012 ⁴	\$ 32,000	68,640	2032 ³	\$58,500	43,275
2012 ⁵	33,000	67,650	2032 ⁴	60,500	41,460
2014 ⁶	34,000	66,630	2032 ⁵	62,500	39,585
2017 ¹	35,000	65,580	2034 ⁶	64,500	37,650
2018 ⁸	36,000	64,500	2037 ¹	66,500	35,655
2017 ⁹	37,500	63,375	2038 ⁸	68,500	33,600
2018 ²⁰	38,500	62,220	2037 ⁹	71,000	31,470
2018 ²¹	40,000	61,020	2038 ⁴⁰	73,000	29,280
2020 ²	41,000	59,790	2039 ⁴¹	75,500	27,015
2021 ³	42,500	58,515	2040 ²	78,000	24,675
2022 ⁴	44,000	57,195	2042 ³	80,500	22,260
2022 ⁵	45,000	55,845	2042 ⁴	83,000	19,770
2024 ⁶	46,500	54,450	2043 ⁵	86,000	17,190
2025 ⁷	48,000	53,010	2044 ⁶	88,500	14,535
2028 ⁸	50,000	51,510	2045 ⁷	91,500	11,790
2027 ⁹	51,500	49,965	2048 ⁸	94,500	8,955
2028 ²⁰	53,000	48,375	2047 ⁹	97,500	6,030
2029 ³¹	55,000	46,725	2048 ⁵⁰	100,500	3,015 (X)
2030 ²	56,500	45,030	2049 ⁵¹	100,500	

This Series ____ Bond is issued by the District as part of an issue in the aggregate principal amount of \$8,385,000 consisting of \$6,065,000 of Series A Bonds and \$2,320,000 of Series C Bonds under and in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Chapters 58 and 74 of the Kentucky Revised Statutes (collectively the "Act"), and pursuant to a duly adopted Bond Resolution of the District authorizing same (the "Current Bond Resolution"), to which Current Bond Resolution reference is hereby made for a description of the nature and extent of the security thereby created, the rights and limitations of rights of the registered owner of this Bond, and the rights, obligations and duties of the District, for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the existing waterworks system of the District (said existing waterworks system, together with said extensions, additions and improvements, being hereinafter referred to as the "System").

This Bond ranks on a parity as to security and source of payment with the outstanding Laurel County Water District No. 2 Waterworks Revenue Bonds, Series 1997, dated June 12, 1998 (the "1997 Bonds"), authorized by a Resolution adopted by the Commission of the District on July 11, 1997 (the "1997 Bond Resolution"), subject to the vested rights and priorities in favor of the owners of the outstanding (i) Laurel County Water District No. 2 Waterworks Revenue Bonds of 1978, dated October 26, 1978 (the "1978 Bonds"), authorized by a Resolution adopted by the Commission of the District on March 10, 1978 (the "1978 Bond Resolution"); and (ii) Kentucky Infrastructure Authority loans to the District (the "KIA Loans") [hereinafter the 1978 Bonds and the KIA Loans shall be collectively referred to as the "Prior Bonds"]. Accordingly, this Bond, the 1997 Bonds, together with any bonds ranking on a parity herewith, is payable from and secured basis by a pledge of the gross revenues to be derived from the operation of the System, after providing for the requirements of the Prior Bonds.

This Bond has been issued in full compliance with the Current Bond Resolution, and this Bond, and any bonds ranking on a parity therewith that may be issued and outstanding under the conditions and restrictions of the Current Bond Resolution are and will continue to be payable from revenues which shall be set aside in a fund for that purpose and identified as the "Laurel County Water District No. 2 Fund of 1997", created in the 1997 Bond Resolution.

This Bond does not constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions or limitations and is payable solely out of the revenues of the System. As provided in the Current Bond Resolution, the District covenants that so long as any of the Prior Bonds and/or this Bond, are outstanding, the System will be continuously owned and operated by the District as a revenue producing public undertaking within the meaning of the aforesaid Act for the security and source of payment of the Prior Bonds and of this Bond, and that the District will fix, and if necessary adjust, from time to time, such rates for the services and facilities of the System and will collect and account for the revenues therefrom sufficient to pay promptly the principal of and interest on the Prior Bonds, this Bond and all other bonds ranking on a parity therewith as may be outstanding from time to time, to pay the cost of operation and maintenance of the System and to provide for the depreciation thereof.

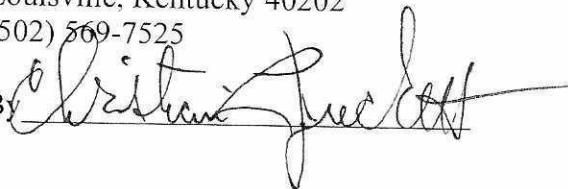
ASSISTANCE AGREEMENT
BETWEEN
KENTUCKY RURAL WATER FINANCE CORPORATION
AND
LAUREL COUNTY WATER DISTRICT NO. 2

DATED
SEPTEMBER 23, 2020
IN THE AMOUNT OF \$5,815,000

This document was prepared by:

RUBIN & HAYS
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
(502) 569-7525

By



ASSISTANCE AGREEMENT

This Assistance Agreement made and entered into as of September 23, 2020 (the "Assistance Agreement") by and between the Kentucky Rural Water Finance Corporation, a non-profit agency and instrumentality of various political subdivisions of the Commonwealth of Kentucky duly organized and existing under the laws of the Commonwealth of Kentucky (the "Issuer") and the Laurel County Water District No. 2, 3910 South Laurel Road, London, Kentucky 40743 (the "Governmental Agency"):

WITNESSETH

WHEREAS, the Issuer has established its Public Projects Flexible Term Program (the "Program") designed to provide financing for the expansion, addition and improvements of public projects for governmental entities under which the Issuer issued, in various series, its Kentucky Rural Water Finance Corporation Multimodal Public Projects Revenue Bonds (Flexible Term Program) pursuant to a Trust Indenture dated as of April 4, 2001, as supplemented from time to time (collectively, the "Indenture") between the Issuer and Regions Bank, Nashville, Tennessee (as successor in interest to Fifth Third Bank and The Bank of New York Trust Company, N.A.), as trustee (the "Trustee"), the net proceeds of which will be applied for the benefit of such governmental entities by making loans, pursuant to assistance agreements; and

WHEREAS, pursuant to the Indenture, the Issuer has authorized the issuance of the Kentucky Rural Water Finance Corporation Public Projects Refunding and Improvement Revenue Bonds (Flexible Term Program), Series 2020E (the "Series 2020E Bonds") in the aggregate principal amount of \$11,375,000, pursuant to a Supplemental Trust Indenture No. 77, dated as of September 23, 2020 by and between the Issuer and the Trustee, which Series 2020E Bonds will rank on a parity with the other outstanding bonds issued under the terms of the Indenture and the proceeds of which will be used by certain governmental agencies to acquire, construct and equip public projects described in various Assistance Agreements by and between the governmental agencies and the Issuer; and

WHEREAS, the Governmental Agency has outstanding its:

- (i) Laurel County Water District No. 2 Waterworks Revenue Bonds, Series 1997, dated June 12, 1998, in the original authorized principal amount of \$545,000; and
- (ii) Laurel County Water District No. 2 Waterworks Revenue Bonds, Series 2010A, dated February 9, 2012, in the original authorized aggregate principal amount of \$6,065,000

(collectively, the "Refunded Bonds"), which bonds were issued by the Governmental Agency to make improvements and extensions to the Governmental Agency's waterworks system (the "System"); and

WHEREAS, the Governmental Agency has determined that it is necessary and desirable and in the public interest to currently refund the Refunded Bonds, in order to effect substantial

debt service savings (the "Refunding Program"), and the Issuer has determined that the Refunding Program is a project within the meaning of the Act and the Indenture, thereby qualifying for financial assistance from the Issuer; and

WHEREAS, the Governmental Agency has designated the Issuer as its instrumentality and agency; and

WHEREAS, pursuant to this Assistance Agreement the Governmental Agency will proceed with the Refunding Program; and

WHEREAS, in and by the Prior Bond Legislation (as hereinafter defined), the right and privilege was reserved by the Governmental Agency under conditions and restrictions set out in said Prior Bond Legislation, of issuing additional bonds from time to time, payable from the income and revenues of the System and ranking on a parity with the Governmental Agency's outstanding Prior Bonds (as hereinafter defined), for the purpose, among other things, of financing the cost of extensions, additions and improvements to the System and refinancing certain outstanding indebtedness, which conditions and restrictions are found to currently exist and prevail so as to permit the issuance of certain proposed additional bonds so as to rank, when issued, on a parity with the outstanding Prior Bonds; and

WHEREAS, it is deemed necessary and advisable for the best interests of the Governmental Agency that it enter into this Assistance Agreement with the Issuer in order to borrow funds (the "Loan") in the amount of \$5,815,000 for the Refunding Program, and to reaffirm the conditions and restrictions under which similar bonds or obligations may be subsequently issued ranking on a parity therewith; and

WHEREAS, under the provisions of Sections 58.010 through 58.140, inclusive, of the Kentucky Revised Statutes, and under the provisions of the Prior Bond Legislation, the Governmental Agency is authorized to enter into this Assistance Agreement and to borrow the Loan to provide such funds for the purpose aforesaid; and

WHEREAS, the Issuer is willing to cooperate with the Governmental Agency in making available the Loan pursuant to the Act and the Indenture to be applied to the Refunding Program upon the conditions hereinafter enumerated and the covenants by the Governmental Agency herein contained; and

WHEREAS, the Issuer and the Governmental Agency have determined to enter into this Assistance Agreement pursuant to the terms of the Act and the Indenture and to set forth their respective duties, rights, covenants, and obligations with respect to the financing of the Refunding Program subject to the repayment of the Loan and the interest thereon;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN SET FORTH, THE LOAN HEREBY EFFECTED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY EACH PARTY, THE PARTIES HERETO MUTUALLY COVENANT AND AGREE, EACH WITH THE OTHER AS FOLLOWS:

KENTUCKY RURAL WATER FINANCE CORPORATION FLEXIBLE TERM FINANCE PROGRAM SERIES 2020 E

Borrower: Laurel County Water District #2
Closing Date: 09/23/20

Borrower Payment Schedule

Payment Date	Principal	Interest Rate	Interest	Trustee Fees	Total	Fiscal Total
01/01/20						
07/01/20						
01/01/21		4.250%	62,884.44	450.00	63,334.44	
07/01/21			88,431.25		88,431.25	151,765.69
01/01/22	135,000.00	4.250%	88,431.25	450.00	223,881.25	
07/01/22			85,562.50		85,562.50	309,443.75
01/01/23	140,000.00	4.250%	85,562.50	450.00	226,012.50	
07/01/23			82,587.50		82,587.50	308,600.00
01/01/24	150,000.00	4.250%	82,587.50	450.00	233,037.50	
07/01/24			79,400.00		79,400.00	312,437.50
01/01/25	155,000.00	4.250%	79,400.00	450.00	234,850.00	
07/01/25			76,106.25		76,106.25	310,956.25
01/01/26	160,000.00	4.250%	76,106.25	450.00	236,556.25	
07/01/26			72,706.25		72,706.25	309,262.50
01/01/27	165,000.00	4.250%	72,706.25	450.00	238,156.25	
07/01/27			69,200.00		69,200.00	307,356.25
01/01/28	175,000.00	4.250%	69,200.00	450.00	244,650.00	
07/01/28			65,481.25		65,481.25	310,131.25
01/01/29	180,000.00	4.250%	65,481.25	450.00	245,931.25	
07/01/29			61,656.25		61,656.25	307,587.50
01/01/30	190,000.00	4.250%	61,656.25	450.00	252,106.25	
07/01/30			57,618.75		57,618.75	309,725.00
01/01/31	195,000.00	3.250%	57,618.75	450.00	253,068.75	
07/01/31			54,450.00		54,450.00	307,518.75
01/01/32	200,000.00	3.250%	54,450.00	450.00	254,900.00	
07/01/32			51,200.00		51,200.00	306,100.00
01/01/33	205,000.00	3.250%	51,200.00	450.00	256,650.00	
07/01/33			47,868.75		47,868.75	304,518.75
01/01/34	210,000.00	2.250%	47,868.75	450.00	258,318.75	
07/01/34			45,506.25		45,506.25	303,825.00
01/01/35	215,000.00	2.250%	45,506.25	450.00	260,956.25	
07/01/35			43,087.50		43,087.50	304,043.75
01/01/36	220,000.00	2.250%	43,087.50	450.00	263,537.50	
07/01/36			40,612.50		40,612.50	304,150.00
01/01/37	190,000.00	2.250%	40,612.50	450.00	231,062.50	
07/01/37			38,475.00		38,475.00	269,537.50
01/01/38	195,000.00	2.375%	38,475.00	450.00	233,925.00	
07/01/38			36,159.38		36,159.38	270,084.38
01/01/39	200,000.00	2.375%	36,159.38	450.00	236,609.38	
07/01/39			33,784.38		33,784.38	270,393.76
01/01/40	205,000.00	2.375%	33,784.38	450.00	239,234.38	
07/01/40			31,350.00		31,350.00	270,584.38
01/01/41	210,000.00	2.625%	31,350.00	450.00	241,800.00	
07/01/41			28,593.75		28,593.75	270,393.75
01/01/42	215,000.00	2.625%	28,593.75	450.00	244,043.75	
07/01/42			25,771.88		25,771.88	269,815.63
01/01/43	220,000.00	2.625%	25,771.88	450.00	246,221.88	
07/01/43			22,884.38		22,884.38	269,106.26
01/01/44	225,000.00	2.625%	22,884.38	450.00	248,334.38	
07/01/44			19,931.25		19,931.25	268,265.63
01/01/45	230,000.00	2.625%	19,931.25	450.00	250,381.25	
07/01/45			16,912.50		16,912.50	267,293.75
01/01/46	235,000.00	2.750%	16,912.50	450.00	252,362.50	
07/01/46			13,681.25		13,681.25	266,043.75
01/01/47	240,000.00	2.750%	13,681.25	450.00	254,131.25	
07/01/47			10,381.25		10,381.25	264,512.50
01/01/48	245,000.00	2.750%	10,381.25	450.00	255,831.25	
07/01/48			7,012.50		7,012.50	262,843.75
01/01/49	250,000.00	2.750%	7,012.50	450.00	257,462.50	
07/01/49			3,575.00		3,575.00	261,037.50
01/01/50	260,000.00	2.750%	3,575.00	250.00	263,825.00	
						263,825.00
Totals	5,815,000.00		2,682,859.48	13,300.00	8,511,159.48	8,511,159.48

BOND RESOLUTION

LAUREL COUNTY WATER DISTRICT NO. 2

AUTHORIZING

LAUREL COUNTY WATER DISTRICT NO. 2

WATERWORKS REVENUE BONDS, SERIES 2018

IN THE PRINCIPAL AMOUNT OF

\$1,365,000

BOND RESOLUTION

RESOLUTION OF THE LAUREL COUNTY WATER DISTRICT NO. 2 AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF \$1,365,000 PRINCIPAL AMOUNT OF LAUREL COUNTY WATER DISTRICT NO. 2 WATERWORKS REVENUE BONDS, SERIES 2018 FOR THE PURPOSE OF FINANCING THE COST (NOT OTHERWISE PROVIDED) OF THE CONSTRUCTION OF EXTENSIONS, ADDITIONS AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF SAID DISTRICT; SETTING FORTH TERMS AND CONDITIONS UPON WHICH SAID BONDS MAY BE ISSUED AND OUTSTANDING; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SAID WATERWORKS SYSTEM; AND PROVIDING FOR AN ADVERTISED, PUBLIC, COMPETITIVE SALE OF SAID BONDS.

WHEREAS, the waterworks system (the "System") of Laurel County Water District No. 2 (the "District") is owned and operated by said District pursuant to Chapters 58 and 74 of the Kentucky Revised Statutes (the "Act"), and

WHEREAS, the District presently has outstanding certain Prior Bonds (as hereinafter defined), which Prior Bonds are payable from and secured by a pledge of the revenues derived from the operation of the System, and

WHEREAS, all of the Prior Bonds presently outstanding are current as to payment of both principal and interest, and for the security of which a certain Sinking Fund and certain reserves are being maintained in the manner and by the means prescribed in the Prior Bond Resolution (as hereinafter defined) of the District, authorizing the Prior Bonds, and

WHEREAS, it is the desire and intent of the District at this time to authorize and provide for the issuance of revenue bonds in the principal amount of \$1,365,000 (the "Current Bonds"), for the purpose of financing the cost (not otherwise provided) of the construction of extensions, additions and improvements to the System of the District, in accordance with plans and specifications prepared by Monarch Engineering, Inc., and to prescribe the covenants of the District, the rights of Bondowners and the details of the issuance and sale of the proposed Current Bonds, and

WHEREAS, the District desires and intends that the Current Bonds be issued on a parity with the Prior RD Bonds, subject to the vested rights and priorities in favor of the owners of the outstanding Prior Bonds, and

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAUREL COUNTY WATER DISTRICT NO. 2 AS FOLLOWS:

EXHIBIT A

Schedule of Principal Payments

<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>	<u>Payment Due</u> <u>January 1</u>	<u>Principal</u> <u>Payment</u>
2019	\$19,000	2039	\$33,000
2020	19,500	2040	34,000
2021	20,000	2041	35,000
2022	21,000	2042	36,000
2023	21,500	2043	37,000
2024	22,000	2044	38,000
2025	22,500	2045	39,000
2026	23,000	2046	40,000
2027	24,000	2047	41,000
2028	24,500	2048	42,000
2029	25,000	2049	43,500
2030	26,000	2050	44,500
2031	26,500	2051	45,500
2032	27,500	2052	47,000
2033	28,000	2053	48,000
2034	29,000	2054	49,500
2035	29,500	2055	51,000
2036	30,500	2056	52,500
2037	31,000	2057	54,000
2038	32,000	2058	52,500