

SERVICE CONTRACT

BETWEEN

PENDLETON COUNTY WATER DISTRICT, GAS DIVISION

AND

RK DISPLAYS

Butler, Kentucky 41006

DATED: October 31, 1973

FOR THE SALE OF NATURAL GAS

PENDLETON COUNTY WATER DISTRICT, GAS DIVISION

FALMOUTH, KENTUCKY

SERVICE CONTRACT

AGREEMENT, made and entered into this 31 day of October, 1973 by and between PENDLETON COUNTY WATER DISTRICT, GAS DIVISION, (hereinafter called Seller) and RK Displays - Butler, Kentucky 41006 (hereinafter called Buyer).

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Gas to be Sold. Seller hereby agrees to sell and deliver, and Buyer hereby agrees to purchase and receive natural gas on a curtailable basis up to a maximum of 600 cu. ft. per hour and 5 Mcf per day on and after the date of this Agreement. Annual volumes delivered by the Seller to the Buyer shall not exceed 600 Mcf.

Section 2. Rate. Natural gas delivered hereunder shall be paid for under the following rate:

CURTAILABLE SERVICE \$1.15

per Mcf delivered, plus any Purchase Gas Adjustments approved by the Public Service Commission after the date of this agreement (see Adjustment in Rates, page 2&3).

MINIMUM MONTHLY CHARGE: The minimum monthly charge for gas delivered and tendered for delivery shall be five dollars (\$5.00) per billing month, as available, by Seller; provided, however, if during any such months the above rate applied to volumes tendered for delivery amounts to less than five dollars (\$5.00), then the minimum monthly charge shall be waived.

Deliveries of gas under this Agreement shall be on a curtailable basis only. Seller may completely or partially curtail deliveries hereunder at any time, for any reason in its sole judgment; however, it is understood that the Seller will not include in its maximum daily contract quantity or maximum daily obligation commitment from its supplier any additional volumes of gas in order to provide service to the Buyer under this Agreement.

PENALTY CHARGE FOR FAILURE TO CURTAIL. On any day when the Buyer has been given notice by the Seller to curtail, any quantity of gas taken in excess of the quantity specified to be made available on that day shall be subject to a payment of \$10.00 per MCF for all volumes taken in excess of the volumes specified to be made available on such day by the Seller. The penalty charge for failure to curtail shall be in addition to the charge per MCF as set forth in this Agreement.

PAYMENT FOR UNAUTHORIZED TAKES. Gas taken in excess of the specified daily curtailable volumes set forth in this Agreement, without receiving prior approval from the Seller, shall constitute unauthorized takes. The sum of all such unauthorized takes in a billing month shall be billed at the rate of \$5.00 per MCF of gas so taken. Payment for such unauthorized takes shall be in addition to the charges specified in this Agreement. However, the Seller reserves the right, for good cause shown, to waive the penalty payment of unauthorized takes provided no economic hardship has been imposed upon the Seller.

ADJUSTMENT IN RATES . The rates prescribed herein shall be subject to the same adjustment on the same date as any change in the applicable Rate

Schedule prescribed by the Kentucky Public Service Commission, irregardless of wheather such change was produced by a change in the cost of gas or the Seller's cost of service.

Section 3. General Terms and Conditions. This agreement in all respects shall be subject to the applicable provisions of the Seller's General Terms and Conditions on file with the Kentucky Public Service Commission.

Seller shall be deemed to be in control and possession of the natural gas hereunder until it shall have been delivered to Buyer at the point of delivery, after which Buyer shall be deemed to be in control and possession thereof. The point of delivery shall be defined at that point at which natural gas hereunder passes from Seller's facilities to Buyer's facilities. Buyer shall have no responsibility with respect to natural gas hereunder until it is delivered to Buyer, or on account of anything which may be done, happen or arise with respect to any natural gas hereunder before such delivery; Seller shall have no responsibility with respect to said gas after it is delivered to Buyer, or on account of anything which may be done, happen or arise with respect to such gas after delivered.

All bills are due and payable in ten (10) days.

Section 4. Special Provisions. It shall be the responsibility of the Buyer to provide and maintain at all times such adequate standby, auxiliary equipment and fuel as may be required or necessary to protect its full requirements and best interests.

In the event any reduction or restrictions regarding end use of maximum daily volumes, and/or annual volumes is placed on the Seller by its Supplier, or the Federal Power Commission, or any other regulatory body, such reductions and/or restrictions shall be applied as directed, or at the discretion of the Seller.

Section 5. Terms. This Agreement shall be effective on 31 October, 1973, and shall continue in effect until 31 October, 1974, and thereafter from year to year unless and until terminated by thirty (30) days written notice given by either party.

Section 6. Notices. Notices to Seller under this Agreement shall be addressed to it at Pendleton County Water District, Gas Division, 400 Main St. Falmouth, Ky. 41040 and notices to Buyer shall be addressed to it at RK Displays, Inc., Butler, Ky., until changed by either party by written notice. It is further agreed that the Seller will notify the Buyer in writing of any change in its purchased gas cost within ten (10) days after it has received such notice.

Section 7. Cancellation of Previous Contracts. This Agreement supersedes and cancels, as of the effective date hereof, all previous Agreements between Buyer and Seller, if any.

Service Contract dated None

The parties hereto have accordingly and duly executed this Agreement.

Pendleton County Water Dist.-Gas Div.

BY: Harry Ashen, Mgr.

Attest: Jern Thornberry

RK Displays, Inc.

BY: Paul E. Reems Pres.

Attest: Helen Brown