

COMMONWEALTH OF KENTUCKY  
Department of Education  
Office of District Support Services

**Bond of "Depository" for Public School Funds**

The undersigned, Independence Bank of Owensboro, Kentucky, hereinafter referred to as the Depository, hereby acknowledges itself bound to the Commonwealth of Kentucky, and the Henderson County Board of Education, in the penal sum of 103% of current daily balances\* that it, as depository of the Board of Education, shall well and truly discharge the duties of said office according to law, account for, to the proper authorities, and pay over to all parties legally entitled thereto on proper warrants all funds that may come into its hands as Depository of the Board of Education aforesaid for a period not to exceed two (2) years, beginning July 1, 2016.

As collateral for this undertaking the undersigned hereby pledges obligations guaranteed by the U. S. Government, Kentucky School Revenue, and/or Federal Government Agency bonds (type of collateral \*\*) in the principal sum of 103% of current daily balances\*\*\* deposited in escrow with the Independent Bankers Bank of Dallas, Texas, hereinafter referred to as the Escrow Agent, evidenced by the safekeeping receipt filed in the offices of the local board of education, provided, however, that at no time shall the amount of collateral be reduced without the execution of a new bond which shall have prior approval by the Commissioner of Education.

The undersigned, the Depository, hereby reserves the right unto itself, (1) to detach and collect for its own use and benefit all coupons of said bonds as they mature; (2) to substitute for any of said bonds, other United States Government bonds and/or Kentucky School Revenue Bonds of the same face or par value; (3) to terminate all liability under this bond and escrow deposit by giving thirty (30) days notice, in writing, of its intention to do so to the chairperson of the Henderson County Board of Education, by registered mail, addressed to such chairperson at the Local Board of Education, and to the chairperson of the Kentucky Board of Education, by registered mail, addressed to such chairperson at Frankfort, Kentucky. Within the thirty days, the Depository shall make statements with the board, pay over all funds in its hand to the board, and exhibit to the Escrow Agent a copy of the settlement, duly receipted by the secretary and chairperson of the board. The Board of Education shall cancel this bond only by giving thirty (30) days notice in writing, of its intention to do so, to the Depository, by registered mail, and to the chairperson of the Kentucky Board of Education by registered mail.

It is further conditioned that liability of this bond is not to be effectual until Federal Deposit Insurance Corporation (FDIC) protection is exhausted.

IN WITNESS WHEREOF, the undersigned has caused its corporate name to be subscribed and its corporate seal to be affixed hereof, this 31st day of May, 2016.

Name of Bank Independence Bank of Kentucky

By (Bank Official) [Signature] Title Investment Officer

We hereby certify to the Commissioner of Education that the bond appearing hereon is a true copy of the bond executed and delivered by the Depository of this Board of Education, and it was approved by the \_\_\_\_\_

Board of Education on \_\_\_\_\_, 20\_\_.

Chairperson \_\_\_\_\_ Secretary \_\_\_\_\_

\* Should agree with penal sum for either METHOD 1 or METHOD 2.

\*\* This collateral shall consist of investments that conform to KRS 41.240 and KRS 66.480.

\*\*\* May not be less than penal sum.

**TO BE RETAINED AT THE LOCAL SCHOOL BOARD OFFICE**

4/29/13



**Investment Portfolio Pledged Securities**  
INDEPENDENCE BANK  
OWENSBORO, KY

InTrader (pledged )  
Last : 04/30/2016  
As-of: 05/31/2016  
1OWE 1021195

Sec ID	Security Description Line 1	Safekeeping Agent	Original Face S & P	Priced	Book Value
Loc Ticket	Security Description Line 2	Rate Maturity Grp	Par/Curr Face Moody	Pledged	Market Value
<b>PLEDGED TO: hcboe *HENDERSON CO BOARD/EDUCATION</b>					
3133EA3F3	FFCB CALL AFTER 10/04/13	THE INDEPENDENT BANKERSBANK	1,000,000.00 AA+	05/26/2016	1,000,000.00
TIB 203016747		2.98 10/04/2027 200	1,000,000.00 Aaa	05/10/2013	988,479.00
101856MT6	BOURBON CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK	1,055,000.00	05/26/2016	1,044,090.06
TIB 204006325	REV	3.5 10/01/2030 400	1,055,000.00 Aa3	03/08/2012	1,126,972.10
271069CV6	EAST BERNSTADT KY ISD BQ	THE INDEPENDENT BANKERSBANK	295,000.00	05/26/2016	290,110.23
TIB 218001200	REV	3.375 12/01/2034 400	295,000.00 Aa3	01/15/2015	304,481.30
276552DN3	ESTRN KY UNIV GEN RECPTS	THE INDEPENDENT BANKERSBANK	955,000.00	05/26/2016	948,817.61
TIB 164041315	REV CALLABLE	3.5 04/01/2034 400	955,000.00 Aa3	03/24/2016	990,287.25
499463ML8	KNOX CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK	795,000.00	05/26/2016	795,000.00
TIB 203023448	REV	3.85 06/01/2033 400	795,000.00 Aa3	01/22/2015	875,907.15
557250VB0	MADISON CNTY KY SCH DIST	THE INDEPENDENT BANKERSBANK	1,245,000.00 NR	05/26/2016	1,245,560.33
TIB 160002500	FIN CORP SCH BLDG REV	4.45 11/01/2024 400	1,245,000.00 Aa3	06/17/2011	1,353,663.60
586815HH8	MENIFEE CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK	795,000.00	05/26/2016	791,842.32
TIB 204002615	REV	4.1 05/01/2027 400	795,000.00 Aa3	06/17/2011	875,112.15
714559RF0	PERRY CO KY SD FIN CORP CALL	THE INDEPENDENT BANKERSBANK	1,000,000.00	05/26/2016	989,128.21
TIB 204059245	REV	3.125 02/01/2036 400	1,000,000.00 Aa3	04/07/2016	986,210.00
779446MH3	ROWAN CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK	650,000.00	05/26/2016	638,469.00
TIB 204056311	REV	2.75 02/01/2031 400	650,000.00 Aa3	05/17/2016	633,457.50
779446MJ9	ROWAN CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK	665,000.00	05/26/2016	665,000.00
TIB 204056312	REV	3 02/01/2032 400	665,000.00 Aa3	05/17/2016	665,538.65
779446MK6	ROWAN CO KY SD FIN CORP BQ	THE INDEPENDENT BANKERSBANK	690,000.00	05/26/2016	685,532.18
TIB 204056314	REV	3 02/01/2033 400	690,000.00 Aa3	05/17/2016	683,714.10
935007YK4	WARREN CO KY SD FIN CORP	THE INDEPENDENT BANKERSBANK	2,175,000.00	05/26/2016	2,143,699.06
TIB 204061629	REV	3.25 04/01/2036 400	2,175,000.00 Aa3	05/17/2016	2,189,550.75
944480LG5	WAYNE CO KY SD BQ CALL	THE INDEPENDENT BANKERSBANK	707,000.00	05/26/2016	688,117.54
TIB 204005477	REV	3.5 09/01/2031 400	707,000.00 Aa3	01/19/2012	758,151.45
3136A6K94	FNR 2012-77 J	THE INDEPENDENT BANKERSBANK	2,500,000.00	05/26/2016	819,016.92
TIB 203014080		3.5 07/25/2042 800	808,042.38	08/09/2012	847,504.50
3136AEFH5	FNR 2013-53 WS ARM	THE INDEPENDENT BANKERSBANK	2,000,000.00	05/26/2016	1,902,314.56
TIB 223000318		5.349 06/25/2043 800	1,902,314.56	11/07/2013	1,994,325.52
3136AMPV5	FNR 2015-2 KL	THE INDEPENDENT BANKERSBANK	3,500,000.00	05/26/2016	2,038,284.59
TIB 232000787		3 02/25/2045 800	2,023,778.02	04/23/2015	2,084,662.77
3136AQEG1	FNR 2015-71 KA	THE INDEPENDENT BANKERSBANK	5,140,500.00	05/26/2016	4,611,610.62
TIB 164044253		3 10/25/2045 800	4,631,188.82	01/14/2016	4,546,969.26
3137A6DK5	FHR 3815 DS ARM	THE INDEPENDENT BANKERSBANK	3,300,000.00	05/26/2016	905,857.33
TIB 204011258		12.64665 02/15/2041 800	836,860.70	05/31/2012	974,773.92
3137AQGL6	FHR 4046 HQ	THE INDEPENDENT BANKERSBANK	5,500,000.00	05/26/2016	1,376,673.27
TIB 203014309		3.5 05/15/2042 800	1,353,861.41	11/14/2012	1,411,272.31
3137B1WT5	FHR 4204 AW	THE INDEPENDENT BANKERSBANK	5,000,000.00	05/26/2016	4,921,536.60
TIB 203023128		3 05/15/2043 800	4,921,536.60	11/07/2013	4,933,116.98

**Investment Portfolio Pledged Securities**

 INDEPENDENCE BANK  
 OWENSBORO, KY

 InTrader (pledged )  
 Last : 04/30/2016  
 As-of: 05/31/2016  
 1OWE 1021195

Sec ID	Security Description Line 1	Safekeeping Agent	Original Face S & P	Priced	Book Value
Loc Ticket	Security Description Line 2	Rate Maturity Grp	Par/Curr Face Moody	Pledged	Market Value
31394U6E7	FNR 2005-99 SA	THE INDEPENDENT BANKERSBANK	4,158,000.00	05/26/2016	553,053.80
TIB 160002515		22.957 11/25/2035 800	506,971.76	06/17/2011	789,216.68
31396YC83	FNR 2008-15 BS FLOATER	THE INDEPENDENT BANKERSBANK	5,000,000.00	05/26/2016	1,100,973.86
TIB 203006025		16.118 03/25/2038 800	872,527.35	11/17/2011	1,196,745.60
31398P5S4	FNR 2010-49 SX FLOATER	THE INDEPENDENT BANKERSBANK	4,600,000.00	05/26/2016	45,164.95
TIB 161031443		14.301 03/25/2040 800	44,158.99	06/17/2011	48,138.69
<b>TOTAL FOR PLEDGE ID hcboe</b>					
Pledged: 23		Orig Face: 52,725,500.00	Current Face: 29,928,240.59	Market: 31,258,251.23	Book: 30,199,853.04