

July 21, 2017

Ms. Heather Overby
Chief Financial Officer
Kentucky Municipal Energy Agency
450 South Third Street
Louisville, KY 40202

RE: Kentucky Municipal Energy Agency

AMENDED AND RESTATED COMMITMENT LETTER

Dear Ms. Overby,

As a follow up to our discussions concerning our willingness to finance your **revolving line of credit**, we are providing you with this offer of commitment. This **"Commitment Letter"** constitutes confidential correspondence between Republic Bank & Trust Company (**"Bank"**) and Kentucky Municipal Energy Agency., (the **"Borrower"**). This Commitment Letter and its terms shall not be shared or distributed to any other persons without the Bank's prior written consent.

The Bank's obligation to provide financing shall be subject to conditions precedent and other contingencies which are standard requirements for similar loans made by the Bank, including, but not limited to, the following documents in form and substance satisfactory to the Bank: (a) Note; (b) Loan Agreement; (c) Security Agreement and Financing Statements covering the collateral; (d) and such other documents as the Bank customarily requires for similar loans (collectively, the **"Loan Documents"**). If there is a conflict between the terms of this commitment letter and the Loan Documents, the Loan Documents shall control.

[THIS SPACE INTENTIONALLY LEFT BLANK]

SUMMARY OF SPECIFIC TERMS RELATING TO THIS TRANSACTION

1. LOAN AMOUNT

The loan amount shall be no more than **Five Million Dollars & 00/100 (\$5,000,000.00)**.

2. SECURITY

The Bank's Note shall be secured by a first security interest in the revenues of the Borrower.

3. INTEREST RATE

The interest rate on the loan will be floating equal to 30-Day LIBOR plus 200 basis points, adjusting the first of the month.

4. TERM OF FINANCING AND REPAYMENT SCHEDULE

The term will be twenty-four (24) months with an interest only payment due semi-annually, June 1st and December 1st. All outstanding principal due at maturity date, unless otherwise approved for extension of the maturity.

5. TYPE OF FACILITY

The credit facility is a revolving line of credit.

6. COMMITMENT FEE

As additional consideration payable to the Bank for the issuance of this Commitment Letter, a **Commitment Fee** in the amount of **\$7,500.00** will be paid by Borrower upon acceptance. This fee will be refundable to Borrower (or applied to closing costs) if the loan closes, otherwise the fee and the Bank's costs shall not be refundable in whole or part.

7. BANK AND CLOSING COSTS

All closing costs incurred by including Bank's outside counsel fees for documentation preparation, filing and closing shall be paid by the Borrower to the Bank at closing of the Loan, but in any event, shall be payable to the Bank whether or not the Loan is closed. Additionally, the Borrower will pay the Bank a Processing fee of **\$5,000.00**.

8. MODIFICATION OF COMMITMENT LETTER

This Commitment Letter sets forth certain terms of our proposed Loan agreement. It is understood and agreed that the terms contained in this Commitment Letter may be modified, deleted, or added to only by mutual written agreement of the **Borrower** and the **Bank**.

ADDITIONAL INFORMATION

A. OPINION OF BORROWER'S COUNSEL

At closing the Bank shall be provided with satisfactory opinions of counsel for Borrower addressing, as may be applicable, the due organization of the Borrower, its respective authority to enter into the transaction, any pending litigation and any conflicts regarding any of the loan documents and any other contract or agreement to which the Borrower, or its respective properties may be subject.

B. RELATIONSHIP OF BORROWER AND BANK

It is agreed that the Bank and the Borrower are not agents and that the relationship is merely one between a lender and a borrower. The Bank shall have the absolute right to withdraw this commitment offer in the event there is material litigation or material controversies that adversely affect the Loan or otherwise increases the risk to the Bank, in the Bank's sole reasonable discretion.

C. BANKING RELATIONSHIP

The primary business depository account(s) of Borrower must be maintained with the Bank for the life of the loan. Failure to do so will constitute an event of default.

D. ANNUAL REPORTING REQUIREMENTS/COVENANTS

The Borrower must agree to submit annual CPA audited financial statements within 120 days after fiscal year end. Additionally, the Borrower must agree to submit quarterly company prepared financial statements within 45 days of quarter end. Further, the Borrower agrees to supply the Bank with any financial information as reasonably requested by the Bank. Detailed reporting requirements will be outlined in the final loan documents.

E. COMMITMENT AND CLOSING REQUIREMENTS

This commitment offer shall expire **September 15, 2017** unless the Loan is closed prior to that date. In order for this commitment offer to be in full force and effect, the Borrower must accept this commitment offer by **July 27, 2017**. If this commitment letter is not accepted and received by the Bank by **July 27, 2017** with the commitment fee, this commitment offer will be void.

F. ADDITIONAL TERMS

(i) This Commitment Letter is being issued in reliance upon certain representations and financial and other information furnished to the Bank concerning the Borrower. This Commitment Letter may be withdrawn by the Bank at any time if the representations or information referred to above should prove to be untrue or incorrect in any material respect or if the financial condition of the Borrower should deteriorate in any material respect.

(ii) The Bank's commitment to close the Loan is specifically contingent upon the provision and execution of all legal documents by the Borrower as deemed necessary by the Bank in its sole discretion.

(iii) Time shall be of the essence in the payment of all sums, satisfaction of all requirements, performance of all obligations, giving of all notices and the exercise of all rights under this Commitment Letter and the Loan Documents.

(iv) No waiver of the terms or conditions of this Commitment Letter shall be effective unless made in writing by both Borrower and Bank.

(v) By acceptance of this Commitment Letter, the Borrower agrees to and does hereby indemnify and save harmless the Bank against loss or damage suffered by the Bank as a result of any claim by a person, firm or corporation for any brokerage or other commission alleged to be due as a result of an agreement between such party and Borrower with reference to the transaction contemplated by this Commitment Letter.

(vi) The captions of this Commitment Letter have been inserted only as a matter of convenience for the Borrower and in no way define, limit or expand the scope or intent of any of the terms herein.

H. WAIVER OF JURY TRIAL

THE BORROWER HEREBY AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS COMMITMENT LETTER OR THE LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH INCLUDING, BUT NOT LIMITED TO, THOSE RELATING TO (A) ALLEGATIONS THAT A PARTNERSHIP EXISTS BETWEEN THE BANK AND THE BORROWER; (B) USURY OR PENALTIES OR DAMAGES THEREFOR; (C) ALLEGATIONS OF UNCONSCIONABLE ACTS, DECEPTIVE TRADE PRACTICE, LACK OF GOOD FAITH OR FAIR DEALING, LACK OF COMMERCIAL REASONABLENESS, OR SPECIAL RELATIONSHIPS (SUCH AS FIDUCIARY, TRUST OR CONFIDENTIAL RELATIONSHIP); (D) ALLEGATIONS OF DOMINION, CONTROL, ALTER EGO, INSTRUMENTALITY, FRAUD, MISREPRESENTATION, DURESS, COERCION, UNDUE INFLUENCE, INTERFERENCE OR NEGLIGENCE; (E) ALLEGATIONS OF TORTIOUS INTERFERENCE WITH PRESENT OR PROSPECTIVE BUSINESS RELATIONSHIPS OR OF ANTITRUST; OR (F) SLANDER, LIBEL OR DAMAGE TO REPUTATION. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY THE BORROWER, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. BANK IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY THE BORROWER.

The Loan shall be construed under the laws of the Commonwealth of Kentucky and may not be assigned or transferred without the prior written consent of the Bank.

Please indicate your acceptance of the commitment offer by signing the enclosed copy of this letter in the space indicated below and returning it to me by **July 27, 2017**.

Very truly yours,

REPUBLIC BANK & TRUST COMPANY


Thomas G. Fangman
Senior Vice President

ACCEPTANCE

This foregoing commitment offer is accepted and made this ____ day of _____ 2017.

BY: _____

This commitment offer shall be void unless acknowledged and delivered to The Bank by the commitment expiration date, along with the required commitment fee.