## COMMONWEALTH OF KENTUCKY Department of Education Office of District Support Services

## Pledge of Collateral Agreement for Public School Funds

Bank of Danville

\_\_\_\_\_, Kentucky, hereinafter referred to as the

The undersigned, Farmers National

protection is exhausted.

Depository, hereby acknowledges itself bound to the Commonwealth of Kentucky, and the Mercer County
Board of Education, 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, 20 22.
As collateral for this undertaking, the undersigned hereby pledges obligations guaranteed by the U. S. Government
Kentucky School Revenue, and/or Federal Government Agency for surety bonds or other securitized collateral (type of
collateral *) in the principal sum of 103% of current daily balances * deposited in escrow with the
First National Bankers Bank of Baton Rouge, Louisiana, 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 a thirty (30) day notice, in writing, of its intention to do so to the chairperson of the
Mercer 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 a thirty (30) day 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)

	cer county													
	cer County		Boar	d of	Educat	ion on N	lay 1	9		, 202	22.			
and	delivered by											approved	by	the
We h	nereby certify to	the Cor	nmissioner of	Edu	cation	that the l	ond	appearing her	eon is	a tru	e copy	of the bond	i exec	uted
By (E	e of Bank 1	a	us p	on	nors			Title	SUF	1	CFO	)		
Nam	e of Bank \	ne	farmer	>	Na	ti ona 1		Sank c	21	2	MOI	ne		
affixe	ed hereof, this	5	day of	Ma	4	, 2	022	> 1.	,	$\sim$	· · · · · · · · · · · · · · · · · · ·	(1.0		
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FORM TO BE RETAINED AT THE LOCAL SCHOOL BOARD OFFICE

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

K001 839012	As-of: 04/30/202	Last: 03/31/202	InTrader (pledged
236	22	22	_

EDGEDTO: misss   MERCER BOARD OF EDU Misss	₽	Security Description Line 1 Security Description Line 2	rity	Original Face S & P Par/Curr Face Moody	Priced Pledged	Book Value Market Value
SIZIONIMAS    FHLMC POOL #SD0315   FNBB CAPITAL MARKETS   1,00,0000 00	PLEDGED TO: m365	MERCER BOARD OF EDU M365	ı			
3   202123378   CONCRETE   CONTRACTOR   CO	3132DMK46	FHLMC POOL #SD0315	FNBB CAPITAL MARKETS	1,600,000.00	04/25/2022	1,037,106.64
SANANZE   SHLMOPOOL RE6097   FNBS CAPITAL MARKETS   20,000,00				994,791.42	10/25/2021	945,928,45
20000365	3133N3X25	FHLMC POOL RE6097		200,000.00	04/25/2022	182,557.13
Micharasce   Finima Pool   F	19 299003085			182,811.51	11/26/2021	159.103.55
200000775	3140HR3G6	FNMA POOL #BL0798		522,000.00	04/25/2022	446.905.82
MACHINA POOL #BM5246		CMBS COLUMBIA VLGE APTS	12/01/2033	439,736.58	01/14/2019	459.438.85
286004775	3140J9ZL8	FNMA POOL #BM5246	B CAPITAL MARKETS	110,000.00	04/25/2022	18.494.77
AUGUSZUB   FAMA POOL #BM5246   FAMB CAPITAL MARKETS   140,000.00   04/25/2022   12/18/2019   286004775   FAMA POOL #MA3612   FAMB CAPITAL MARKETS   400,000.00   04/25/2022   286004053   FAMA POOL #MA3612   FAMB CAPITAL MARKETS   400,000.00   04/25/2022   286004053   FAMA POOL #MA3612   FAMB CAPITAL MARKETS   400,000.00   04/25/2022   28/2022-2033   FAMA POOL #MA3612   FAMB CAPITAL MARKETS   400,000.00   04/25/2022   28/2022-2033   76,000.00   04/25/2022   28/2022-2035   76,000.00   04/25/2022   28/2022-2035   76,000.00   04/25/2022   28/2022-2035   76,000.00   04/25/2022   28/2022-2035   76,000.00   04/25/2022   28/2022-2035   76,000.00   04/25/2022   28/2022-2035   76,000.00   04/25/2022   76,000.00   04/25/2			11/01/2048	18,270.05	08/19/2019	17.938.27
286004075   286004075   2825079   2118/2019   2418/2019   286004053   286004	3140J9ZL8	FNMA POOL #BM5246	BB CAPITAL MARKETS	140,000.00	04/25/2022	23,538,80
AURIADANI2			11/01/2048	23,252.79	12/18/2019	22,830.53
A18DAN2   A28004053	31418DAN2	FNMA POOL #MA3612	BB CAPITAL MARKETS	400,000.00	04/25/2022	64,427.70
A18DAN   2				63,506,38	04/22/2019	64,298,89
418EBJ8 413EBJ8 413EBJ8 FNMA POOL MA4540 FNBB CAPITAL MARKETS 330,000.00 335,097.60 335,	31418DAN2	FNMA POOL #MA3612		785,000.00	04/25/2022	126,439.36
Alteral Receipt#   252002078   25202000999   GINMA II POOL #5255   FNBB CAPITAL MARKETS   20000202   252020078   252020078   252020078   252020078   260009990   26400009990   2640009990   2640000990   26400009990   26400009990   26400009990   26400009990   26400009990   26400009990   26400009990   26400009990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   2640000990   26400000990   2640000990   2640000990   2640000990   26400000990   26400000990   26400000990   264000				124,631.28	03/11/2019	126.186.57
31,000099   31,000099   2	31418EBJ8	FNMA POOL MA4540		330,000.00	04/25/2022	322,072.58
Control   Cont				326,097.60	04/28/2022	292,158.01
252020078   240009690   Certificate#:   252010036   PLANT BRD REV BANK	36202FZU3	GNMA II POOL #5255	3746	615,000.00	04/25/2022	39.711.90
External Receipt#: 240009690				39,637.04	12/29/2017	38.949.70
BOWLING GREEN KY ELEC   FNBB CAPITAL MARKETS   225,000.00   04/25/2022   252010036   PLANT BRD REV BANK   240,000.00   04/25/2022   25200.00 Aa2   225,000.00 Aa3   225,000.00	External Receipt#:	240009690				15
25201036	102655FM4	BOWLING GREEN KY ELEC	FNBB CAPITAL MARKETS	225,000.00	04/25/2022	226,047,99
External Receipt# 180036606		PLANT BRD REV BANK	04/01/2031	225,000.00 Aa2	03/18/2014	230,805,00
TS05PV7	External Receipt#:	180036606				
311000404   BQ	147505PV7	CASEY CO SD FIN CORP	FNBB CAPITAL MARKETS	100,000.00	04/25/2022	100.000.00
6649HU6         DANVILLE KY GO         FNBB CAPITAL MARKETS         400,000.00 AA-         04/25/2022           252015508         BANK QUALIFIED         3 08/01/2031         020         400,000.00 NR         02/12/2018           External Receipt#:         286003314         Certificate#:         150,000.00 NR         02/12/2018           External Receipt#:         252015505         SER B S/F 12/1/27 @100         2.75         12/01/2028         020         150,000.00 NR         02/12/2018           External Receipt#:         252015505         SER B S/F 12/1/27 @100         2.75         12/01/2028         020         150,000.00 NR         02/12/2018           EXTERNAL RECEIPT#:         CLARK CNTY KY SD FIN CORP         FNBB CAPITAL MARKETS         400,000.00 NR         04/25/2022           252012795         SCH BLDG REV QSCB TAXABLE         5.2         06/01/2026         021         400,000.00 NR         04/25/2022           270005683         CLARK CNTY KY SD FIN CORP         FNBB CAPITAL MARKETS         475,000.00         475,000.00         04/25/2022           252008239         QABS DRCT PY TO ISSR STATE         FNBB CAPITAL MARKETS         475,000.00 AI         04/25/2022           25200941         20011037         Certificate#:         400,000.00 AI         04/25/2022           25200941		вQ	02/01/2038	100,000.00 A1	07/27/2020	86,666,00
252015508 BANK QUALIFIED 3 08/01/2031 020 400,000.00 NR 2/12/2018  External Receipt#: 286003314 Certificate#:  DANVILLE KY GO REF 2/1/127 @100 2.75 12/01/2028 020 150,000.00 AA 04/25/2022 2.75 12/01/2028 020 150,000.00 NR 04/25/2022 0782EH3 CLARK CNTY KY SD FIN CORP 252012795 SCH BLDG REV QSCB TAXABLE 25200259 270005683 Certificate#: CLARK CNTY KY SD FIN CORP 252008239 240011037 Certificate#: FNBB CAPITAL MARKETS 25200941 CORP QUALF SCH CONSTR BD 5 09/01/2027 021 400,000.00 NR 04/25/2022 20/07/2019 22	236649HU6	DANVILLE KY GO	FNBB CAPITAL MARKETS	400,000.00 AA-	04/25/2022	409,773.41
External Receipt#:         286003314         Certificate#:         150,000.00 AA-         04/25/2022           6649JL4         DANVILLE KY GO REF         FNBB CAPITAL MARKETS         150,000.00 AA-         04/25/2022           252015505         SER B SJF 12/1/27 @100         2.75         12/01/2028         020         150,000.00 NR         02/12/2018           External Receipt#:         286003313         CLARK CNTY KY SD FIN CORP PALDG REV QSCB TAXABLE         FNBB CAPITAL MARKETS         400,000.00 NR         04/25/2022           252012795         SCH BLDG REV QSCB TAXABLE         5.2         06/01/2026         021         400,000.00 NR         04/25/2022           252012795         SCH BLDG REV QSCB TAXABLE         5.2         06/01/2026         021         400,000.00 NR         04/25/2022           270005683         CLARK CNTY KY SD FIN CORP         FNBB CAPITAL MARKETS         475,000.00         04/25/2022           252008239         QZABS DRCT PY TO ISSR STATE         5         12/01/2030         021         475,000.00 A1         02/07/2019           275020941         CORP QUALF SCH CONSTR BD         FNBB CAPITAL MARKETS         400,000.00 A1         04/25/2022           275009684         CORP QUALF SCH CONSTR BD         FNBB CAPITAL MARKETS         400,000.00 A1         12/13/2013		BANK QUALIFIED	08/01/2031	400,000.00 NR	02/12/2018	395,620.00
6649JL4         DANVILLE KY GO REF         FNBB CAPITAL MARKETS         150,000.00 AA-         04/25/2022           252015505         SER B S/F 12/1/27 @100         2.75         12/01/2028         020         150,000.00 NR         02/12/2018           External Receipt#:         286003313         Certificate#:         400,000.00 NR         04/25/2022           0782EH3         CLARK CNTY KY SD FIN CORP         FNBB CAPITAL MARKETS         400,000.00 NR         04/25/2022           252012795         SCH BLDG REV QSCB TAXABLE         5.2         06/01/2026         021         400,000.00 NR         04/25/2022           2xternal Receipt#:         270005683         Certificate#:         FNBB CAPITAL MARKETS         475,000.00         04/25/2022           252008239         QZABS DRCT PY TO ISSR STATE         FNBB CAPITAL MARKETS         475,000.00 A1         02/07/2019           27662AA8         ESTILL CNTY KY SCH DIST FIN         Certificate#:         FNBB CAPITAL MARKETS         400,000.00 NR         04/25/2022           252009941         CORP QUALF SCH CONSTR BD         5         09/01/2027         021         400,000.00 A1         12/13/2013           2xternal Receipt#:         270005684         Certificate#:         Certificate#:         400,000.00 A1         12/13/2013	External Receipt#:	286003314				
252015505         SER B S/F 12/1/27 @100         2.75         12/01/2028         020         150,000.00 NR         02/12/2018           External Receipt#:         286003313         Certificate#:         400,000.00 NR         04/25/2022           0782EH3         CLARK CNTY KY SD FIN CORP 270005683         FNBB CAPITAL MARKETS 5.2         400,000.00 NR         04/25/2022           252012795         SCH BLDG REV QSCB TAXABLE 270005683         5.2         06/01/2026         021         400,000.00 A1         12/13/2013           External Receipt#:         CLARK CNTY KY SD FIN CORP QZABS DRCT PY TO ISSR STATE 240011037         FNBB CAPITAL MARKETS FNBB CAPITAL MARKETS 	236649JL4	DANVILLE KY GO REF	FNBB CAPITAL MARKETS	150,000.00 AA-	04/25/2022	153.514.85
External Receipt#:         286003313         Certificate#:         400,000.00 NR         04/25/2022           0782EH3         CLARK CNTY KY SD FIN CORP 252012795         FNBB CAPITAL MARKETS SCH BLDG REV QSCB TAXABLE         400,000.00 NI         12/13/2013           external Receipt#:         270005683         Certificate#:         475,000.00 A1         04/25/2022           0782FF6         CLARK CNTY KY SD FIN CORP 252008239         FNBB CAPITAL MARKETS QZABS DRCT PY TO ISSR STATE 252008241         475,000.00 A1         04/25/2022 475,000.00 A1         02/07/2019           external Receipt#:         ESTILL CNTY KY SCH DIST FIN CORP QUALF SCH CONSTR BD         Certificate#: FNBB CAPITAL MARKETS 5 09/01/2027         400,000.00 NR 400,000.00 A1         04/25/2022 400,000.00 A1           external Receipt#:         270005684         Certificate#:         Certificate#:         400,000.00 A1         12/13/2013		SER B S/F 12/1/27 @100	12/01/2028	150,000.00 NR	02/12/2018	147,829,50
0782EH3         CLARK CNTY KY SD FIN CORP 252012795         FNBB CAPITAL MARKETS SCH BLDG REV QSCB TAXABLE         400,000.00 NR 2000.000 A1         04/25/2022 400,000.00 A1         04/25/2022 12/13/2013           External Receipt#:         270005683         Certificate#: CLARK CNTY KY SD FIN CORP 252008239         FNBB CAPITAL MARKETS QZABS DRCT PY TO ISSR STATE 252008239         475,000.00 240011037         04/25/2022 475,000.00 A1         04/25/2022 02/07/2019           ESTILL CNTY KY SCH DIST FIN 252009941         CORP QUALF SCH CONSTR BD CORP QUALF SCH CONSTR BD CORP QUALF SCH CONSTR BD STO005684         FNBB CAPITAL MARKETS FNBB CAPITAL MARKETS 5 09/01/2027         400,000.00 NR 400,000.00 A1         04/25/2022 12/13/2013	External Receipt#:	286003313	ficate#:			
252012795 SCH BLDG REV QSCB TAXABLE 5.2 06/01/2026 021 400,000.00 A1 12/13/2013    External Receipt#: 270005683	180782EH3	CLARK CNTY KY SD FIN CORP	FNBB CAPITAL MARKETS	400,000.00 NR	04/25/2022	400,000.00
External Receipt#:         270005683         Certificate#:         475,000.00         04/25/2022           0782FF6         CLARK CNTY KY SD FIN CORP 252008239         FNBB CAPITAL MARKETS QZABS DRCT PY TO ISSR STATE 252008239         475,000.00 A1 475,000.00 A1         04/25/2022 475,000.00 A1         02/07/2019           External Receipt#:         240011037         Certificate#: FNBB CAPITAL MARKETS         400,000.00 NR 400,000.00 A1         04/25/2022 400,000.00 A1         04/25/2022 12/13/2013           External Receipt#:         270005684         Certificate#:         Certificate#:		SCH BLDG REV QSCB TAXABLE	06/01/2026	400,000.00 A1	12/13/2013	400,896.00
0782FF6         CLARK CNTY KY SD FIN CORP         FNBB CAPITAL MARKETS         475,000.00         04/25/2022           252008239         QZABS DRCT PY TO ISSR STATE         5         12/01/2030         021         475,000.00 A1         02/07/2019           External Receipt#:         240011037         Certificate#:         FNBB CAPITAL MARKETS         400,000.00 NR         04/25/2022           7562AA8         ESTILL CNTY KY SCH DIST FIN CORF QUALF SCH CONSTR BD         FNBB CAPITAL MARKETS         400,000.00 NR         04/25/2022           252009941         CORP QUALF SCH CONSTR BD         5         09/01/2027         021         400,000.00 A1         12/13/2013           External Receipt#:         270005684         Certificate#:         Certificate#:	External Receipt#:	270005683				
252008239 QZABS DRCT PY TO ISSR STATE 5 12/01/2030 021 475,000.00 A1 02/07/2019  External Receipt#: 240011037	180782FF6	CLARK CNTY KY SD FIN CORP	FNBB CAPITAL MARKETS	475,000.00	04/25/2022	475.000.00
External Receipt#: 240011037		<b>QZABS DRCT PY TO ISSR STATE</b>		475,000.00 A1	02/07/2019	475 902 50
7562AA8 ESTILL CNTY KY SCH DIST FIN FNBB CAPITAL MARKETS 400,000.00 NR 04/25/2022 252009941 CORP QUALF SCH CONSTR BD 5 09/01/2027 021 400,000.00 A1 12/13/2013 2xternal Receipt#: 270005684 Certificate#:	External Receipt#:	240011037				
252009941 CORP QUALF SCH CONSTR BD 5 09/01/2027 021 400,000.00 A1 12/13/2013 external Receipt#: 270005684 Certificate#:	297562AA8	ESTILL CNTY KY SCH DIST FIN	FNBB CAPITAL MARKETS	400,000,00 NR	04/25/2022	400 000 00
270005684 Certificate#:		CORP QUALF SCH CONSTR BD		400,000.00 A1	12/13/2013	400,484.00
	External Receipt#:	270005684	Certificate#:			



## Investment Portfolio Pledged Securities FARMERS NATIONAL BANK, DANVILL DANVILLE, KY

InTrader (pledged ) Last : 03/31/2022 As-of: 04/30/2022 K001 83901236

	40 D3	Market: 12,559,549.03	Current Face: 13.335,455.82	Curre	Orig Face: 17,628,000.00	Orig Face: 1	Pledged: 24	
							ID m365	TOTAL FOR PLEDGE ID m365
					Certificate#:		63662	External Receipt#:
258,112.48	11/18/2021	264,304.34	223	03/10/2028	3.187		PAYS SEMI-ANN	19 252016324
264,892,51	04/25/2022	720,000.00		AL MARKETS	FNBB CAPITAL MARKETS		SBIC 2018-10A 1	831641FK6
3,505,106.19	11/17/2021	3,814,765.18	036	10/16/2062	1.75		CMBS	19 311004565
3,885,476.17	04/25/2022	4,000,000.00		AL MARKETS	FNBB CAPITAL MARKETS		GNR 2021-22 AC	38380RTY6
586,703.36	03/29/2022	631,413.36	036	01/16/2062	2		MULTI FAM CMBS	19 299001870
651,152.94	04/25/2022	700,000.00		AL MARKETS	FNBB CAPITAL MARKETS		GNR 2020 150 AC	38380RAX8
2,050,304.92	09/16/2020	2,194,587.41	036	11/16/2060	2		CMBS	19 231019100
2,248,709.41	04/25/2022	2,500,000.00		AL MARKETS	<b>FNBB CAPITAL MARKETS</b>		GNR 2020-120 AD	38380PU51
1,821,589.00	11/17/2021	2,000,000.00	036	08/25/2028	1.657	3S	MULTI-FAMILY CMBS	19 313000252
2,054,789.69	04/25/2022	2,000,000.00		FNBB CAPITAL MARKETS	FNBB CAPIT		FHMS K745 A2	3137H2NE0
					Certificate#:		180030513	External Receipt#:
8,874.96	05/08/2018	8,869.24	035	08/20/2039	2		20 DAY DELAY	19 252021887
8,869.58	04/25/2022	405,000.00		AL MARKETS	FNBB CAPITAL MARKETS	-98 MA	GNMA REMIC 2010-98 MA	38377JSG9
					Certificate#:		180030513	External Receipt#:
8,787.30	07/17/2018	8,781.64	035	08/20/2039	2		20 DAY DELAY	.9 252021887
8,781.98	04/25/2022	401,000.00		FNBB CAPITAL MARKETS	FNBB CAPIT.	-98 MA	GNMA REMIC 2010-98 MA	38377JSG9
					Certificate#:		221010685	External Receipt#:
55,035.00	02/08/2019	50,000.00 A1	021	11/01/2029	6.155	CA BOND MW CALL	REV BUILD AMERICA BOND MW CALL	19 252008929
50,163.00	04/25/2022	50,000.00 A-		FNBB CAPITAL MARKETS	FNBB CAPIT	Y & BLDG COMMN	KENTUCKY ST PPTY & BLDG COMMN	49151E4G5
Market Value	Priced Pledged	Par/Curr Face Moody	Grp	Agent Maturity	Rate Mate	n Line 1 n Line 2	Security Description Line 2	Loc Ticket





Issue Date:

April 11, 2022

LOC No.: 567350

Beneficiary:

Mercer County Board of Education

530 Perryville Street

Harrodsburg, KY 40330-0000

## Ladies and Gentlemen:

For the account of Farmers National Bank, Danville, KY, we hereby authorize you to draw on us at sight up to an amount of \$150,000.00.

This letter of credit is irrevocable, unconditional and nontransferable.

Drafts drawn under this letter of credit must be accompanied by the original letter of credit and be presented in substantially the form attached as Exhibit A, at the office identified below by an authorized officer of the beneficiary no later than 2:00 P.M., Cincinnati time, on Wednesday, May 18, 2022.

This letter of credit sets forth in full the terms of our obligations to you, and such undertaking shall not in any way be modified or amplified by any agreement in which this letter is referred to or to which this letter of credit relates, and any such reference shall not be deemed to incorporate herein by reference any agreement.

We engage with you that one, and only one draft drawn under and in compliance with the terms of this letter of credit will be duly honored at the Credit Department of the Federal Home Loan Bank of Cincinnati, 221 East Fourth Street, Cincinnati, Ohio 45202.

This letter of credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication 600.

Sincerely,

Lisa Wishart

Vice President

Markus Pepper

Credit Operations Officer

Kissle riskant

c: Chastity Pike

Farmers National Bank