

## Pledge of Collateral Agreement for Public School Funds

The undersigned, **South Central Bank**, a financial institution organized under the laws of the United States or Commonwealth of Kentucky and authorized by law to conduct banking business in the Commonwealth of Kentucky, hereinafter referred to as the Depository, hereby acknowledges itself bound to the Commonwealth of Kentucky, and the Russellville Independent 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, 2025.

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 Horizon Bank, 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 Russellville Independent 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) 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 10th day of June, 2025

Name of Bank South Central Bank, Inc.

By (Bank Official) [Signature] Title 6/10/25 CFO

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

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

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

FORM TO BE RETAINED AT THE LOCAL SCHOOL BOARD OFFICE

Pledge Inventory Report

South Central Rollup  
Glasgow, KY  
FROM 5/1/2025 TO 5/31/2025

Customer ID: 118363  
Report Date: 5/30/2025  
PAS Rep: Renee Kennedy  
Account Rep: Luke Ferguson

Cusip	Description	Maturity/Refunded Dt	Intent	S&P	Market Price Dt	Original Face	Book Value
Ticket	Location Code/Name	Group	Coupon	Moody	Maturity (Yr)	Par	Market Value
Pledged: 5433 - RUSSELLVILLE INDEPENDENT SCHOOLS							
3133KMNT8	FHLMC Pool #RA5802	09/01/2051	AFS		5/22/2025	3,200,000.00	2,502,497.47
1327498	FTB - First Horizon Bank	MBS	2.50000		26.27	2,439,310.59	1,982,232.57
3133N3YF5	FHLMC Pool #RE6110	10/01/2051	AFS		5/22/2025	6,500,000.00	5,439,066.77
1327496	FTB - First Horizon Bank	MBS	2.00000		26.35	5,415,975.63	4,074,275.99
3136A8PM6	FNM12100 BA	09/25/2027	AFS	NA	5/22/2025	200,000.00	3,442.80
1229972	FTB - First Horizon Bank	MBS	1.50000	Nr	2.32	3,442.80	3,347.57
3137FNXD7	FHMS KS12 A	08/25/2029	AFS	NR	5/22/2025	500,000.00	497,373.10
1240782	FTB - First Horizon Bank	MBS	5.11516	Nr	4.24	496,248.59	497,023.58
3140LDUM9	FNMA POOL #BS3287	10/01/2028	AFS		5/22/2025	3,000,000.00	2,782,517.00
1333063	FTB - First Horizon Bank	MBS	1.46000		3.34	2,770,813.47	2,524,737.53
3140X44A1	FNMA POOL #FM1716	10/01/2044	AFS		5/22/2025	50,000.00	7,479.98
1217394	FTB - First Horizon Bank	MBS	3.00000		19.35	7,439.94	6,414.05
31418DYH9	FNMA POOL #MA4311	04/01/2041	AFS	nr	5/22/2025	500,000.00	351,005.16
1292047	FTB - First Horizon Bank	MBS	2.00000	Nr	15.85	346,016.62	289,235.29
38380R3T5	GNR 2021-60 AD	05/16/2057	AFS	NR	5/22/2025	300,000.00	259,351.00
1328324	FTB - First Horizon Bank	MBS	1.75000	Nr	31.98	258,106.61	205,581.17
38381D5R7	GNR 2021-180 AD	03/16/2062	AFS	NR	5/22/2025	1,200,000.00	1,010,610.67
1333062	FTB - First Horizon Bank	MBS	1.50000	Nr	36.82	1,010,243.70	818,589.26
38381DU81	GNR 2021-170 AD	09/16/2057	AFS	NR	5/22/2025	1,000,000.00	871,996.49
1328782	FTB - First Horizon Bank	MBS	1.50000	Nr	32.32	870,439.75	698,774.15
831641FR1	SBIC 2021-10A 1	03/10/2031	AFS	NR	5/22/2025	200,000.00	168,967.99
1294995	FTB - First Horizon Bank	MBS	1.66700	Nr	5.78	168,967.99	150,498.10
91282CCF6	US Treasury Note	05/31/2026	AFS	AA+	5/22/2025	100,000.00	99,877.64
1312598	FTB - First Horizon Bank	TRS	0.75000	Aaa	1.00	100,000.00	96,609.00
12	Total Pledged: 5433 - RUSSELLVILLE INDEPENDENT SCHOOLS					16,750,000.00	13,994,186.07
						13,887,005.69	11,347,318.26

This report reflects information submitted to us by the customer. It is not intended to be used as the official record of safekeeping location and/or pledged holdings. This information should be provided by the customer's safekeeper.

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