

Section 1: 8-K (LIMESTONE BANCORP, INC. 8-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
July 23, 2019

LIMESTONE BANCORP, INC.
(Exact Name of Registrant as specified in Charter)

Kentucky
(State or other jurisdiction
of incorporation)

001-33033
(Commission
File Number)

61-1142247
(IRS Employer
Identification No.)

2500 Eastpoint Parkway, Louisville, Kentucky
(Address of principal executive offices)

40223
(Zip code)

(502) 499-4800
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	LMST	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Definitive Material Agreement.

Issuance of Subordinated Notes

On July 23, 2019, Limestone Bancorp, Inc. (the “Company”) entered into Subordinated Note Purchase Agreements (collectively, the “Purchase Agreement”) with certain qualified institutional buyers and institutional accredited investors (the “Purchasers”) pursuant to which the Company sold and issued \$17.0 million in aggregate principal amount of its 5.75% Fixed-to-Floating Rate Subordinated Notes due 2029 (the “Notes”). The Notes were offered and sold by the Company to eligible purchasers in a private offering in reliance on the exemption from the registration requirements of Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”). The Company intends to use the proceeds from the offering to contribute to Limestone Bank, Inc. (the “Bank”), its wholly-owned subsidiary bank, \$10.0 million of Common Equity Tier-1 Capital and to pay down the Company’s senior debt \$5.0 million. The remaining proceeds will be used for general corporate purposes. The fees of the placement agents and other costs of issuance will be paid directly by the Company from cash on hand.

The Notes have a ten-year term and, from and including the date of issuance to but excluding July 31, 2024, will bear interest at a fixed annual rate of 5.75%, payable semi-annually in arrears. From and including July 31, 2024 to but excluding the maturity date or early redemption date, the interest rate shall reset quarterly to an interest rate per annum equal to the then-current three-month LIBOR (provided, however, that in the event three-month LIBOR is less than zero, three-month LIBOR shall be deemed to be zero) plus 395 basis points, payable quarterly in arrears. The Notes are redeemable, in whole or in part, on July 31, 2024, on any scheduled interest payment date thereafter and at any time upon the occurrence of certain events. The Purchase Agreement contains certain customary representations, warranties and covenants made by the Company, on the one hand, and the Purchasers, severally and not jointly, on the other hand.

The Notes were issued under an Indenture, dated July 23, 2019 (the “Indenture”), by and between the Company and Wilmington Trust, National Association, as trustee. The Notes are not subject to any sinking fund and are not convertible into or exchangeable for any other securities or assets of the Company or any of its subsidiaries. The Notes are not subject to redemption at the option of the holder. The Notes are unsecured, subordinated obligations of the Company only and are not obligations of, and are not guaranteed by, any subsidiary of the Company. The Notes rank junior in right to payment to the Company’s current and future senior indebtedness. The Notes are intended to qualify as Tier 2 capital for regulatory capital purposes for the Company.

The form of the Indenture, the form of Note, and the form of the Purchase Agreement are attached as Exhibits 4.1, 4.2, and 10.1, respectively, to this Current Report on Form 8-K and are incorporated herein by reference. The foregoing descriptions of the Indenture, the Note, and the Purchase Agreement are summaries and are qualified in their entirety by reference to the relevant Exhibits to this Current Report on Form 8-K.

Branch Purchase and Assumption Agreement

On July 24, 2019, Limestone Bank, Inc., the wholly-owned subsidiary of Limestone Bancorp, Inc., entered into a Branch Purchase and Assumption Agreement to acquire four branch banking centers located in the Kentucky cities of Elizabethtown, Frankfort, and Owensboro from Louisville, Kentucky based Republic Bank and Trust (the “Seller”).

Under the terms of the agreement, Limestone Bank will acquire the four branch offices which includes \$153 million in deposits and \$112 million in loans. In addition, Limestone will acquire substantially all the fixed assets of these locations. The transaction has received approvals from each party's board of directors and is expected to close in the fourth quarter of 2019, subject to regulatory approvals and other customary closing conditions. The transaction includes an all-in blended deposit premium of approximately 6%. The final calculated premium will be primarily based on the trailing 10-day average amount of the deposits as of the closing date, as well as the branch location for the deposits.

The form of the Branch Purchase and Assumption Agreement is attached as Exhibit 2.1 to this Current Report on Form 8-K and is incorporated herein by reference. The foregoing description of the Branch Purchase Agreement is qualified in its entirety by reference to Exhibit 2.1 to this Current Report on Form 8-K.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under Item 1.01 and the full text of the Indenture and form of Note, which are attached hereto as Exhibits 4.1 and 4.2, respectively, are incorporated by reference into this Item 2.03.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
2.1*	Branch Purchase and Assumption Agreement between Republic Bank & Trust Company and Limestone Bank, Inc. dated July 24, 2019.
4.1	Indenture, dated July 23, 2019, by and between Limestone Bancorp, Inc. and Wilmington Trust National Association, as trustee.
4.2	Form of 5.75% Fixed-to-Floating Subordinated Notes due 2029 of of Limestone Bancorp, Inc.
10.1	Form of Subordinated Note Purchase Agreement, dated July 23, 2019, by and among Limestone Bancorp, Inc. and the Purchasers.
99.1	Press release issued July 25, 2019.
*	Schedules and similar attachments to the Purchase and Assumption Agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule or similar attachment will be furnished to the Securities and Exchange Commission upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LIMESTONE BANCORP, INC.

Date: July 25, 2019

By: /s/ Phillip W. Barnhouse
Chief Financial Officer

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Section 2: EX-2.1 (EXHIBIT 2.1)

Exhibit 2.1

BRANCH PURCHASE AND ASSUMPTION AGREEMENT

between

REPUBLIC BANK & TRUST COMPANY

and

LIMESTONE BANK, INC.

July 24, 2019

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BRANCH PURCHASE AND ASSUMPTION AGREEMENT

This BRANCH PURCHASE AND ASSUMPTION AGREEMENT (this "Agreement") is made and executed as of the 24th day of July, 2019, by and between REPUBLIC BANK & TRUST COMPANY, a Kentucky banking corporation ("Seller"), and LIMESTONE BANK, INC., a Kentucky banking corporation ("Buyer").

WITNESSETH:

WHEREAS, Seller owns and operates branch banking offices located at 3500 Frederica Street, Owensboro, Kentucky 42301 (the "Owensboro Owned Branch"), 3332 Villa Point, Suite 101, Owensboro, Kentucky 42303 (the "Owensboro Leased Branch"), 1690 Ring Road, Elizabethtown, Kentucky 42701 (the "Elizabethtown Branch"), and 100 US Hwy 676, Frankfort, Kentucky 40601 (the "Frankfort Branch") (collectively referred to as the "Branch Offices" and individually, a "Branch Office"); and

WHEREAS, Seller desires to sell and Buyer desires to acquire the Branch Offices, and, in that regard, Seller desires to sell and Buyer desires to purchase and acquire certain assets related thereto maintained at the Branch Offices; and

WHEREAS, Seller desires to transfer and Buyer desires to assume deposit accounts maintained at or for the Branch Offices and certain other liabilities pertaining to the continuing operations thereof.

NOW, THEREFORE, in consideration of the premises and the mutual terms and provisions set forth in this Agreement, the parties agree as follows:

Article 1.

Purchase and Sale of Assets and Assumption of Liabilities

Section 1.01. Purchase of Assets. Upon the terms and subject to the conditions and representations set forth herein, Seller shall sell, convey, assign and transfer to Buyer, and Buyer shall purchase and accept from Seller, all right, title and interest of Seller in and to the following assets (collectively, the "Assets"), by documentation reasonably satisfactory as to form and substance to Buyer and Seller, as of the close of business on the Closing Date (as defined in Section 2.02 below):

(a) Books and Records. All books, records, documents, files, combinations, keys, security codes and the like, regardless of where located or how stored, relating to the Branch Offices, the Assets and the Assumed Liabilities (as defined in Section 1.02 below), including online and mobile banking information, as of the close of business on the Closing Date or otherwise related to or necessary for the conduct of the business of the Branch Offices following the Closing Date (collectively, the "Records").

(b) Real Property. The real estate located at 3500 Frederica Street, Owensboro, Kentucky 42301, upon which the Owensboro Owned Branch is operated, more particularly described in **Schedule A** to this Agreement, including the buildings, fixtures and other improvements thereon and easements associated therewith, and any tenements, hereditaments, rights, privileges, interests, leases, easements and appurtenances belonging or in any way pertaining thereto, including any right, title or interest of Seller in and to adjacent streets, roads, alleys and rights of way (collectively, the "Owned Real Property"), and the leasehold interests in the real estate located at 3332 Villa Point, Owensboro, Kentucky 42303 1690 Ring Road, Elizabethtown, Kentucky 42701 and 100 US Hwy 676, Frankfort, Kentucky 40601 (constituting a land lease in the case of 100 US Hwy 676, Frankfort, Kentucky 40601), pursuant to the leases more particularly described in **Schedule B** (collectively, the "Banking Office Leases"), and all right, title and interest of Seller in the buildings, fixtures and other improvements thereto and easements associated therewith, any and all tenements, hereditaments, rights, privileges, interests, leases, easements and appurtenances belonging or in any way pertaining thereto including any right, title or interest of Seller in and to adjacent streets, roads, alleys and rights of way (collectively, the "Leased Premises"), upon which the Owensboro Leased Branch, the Elizabethtown Branch and the Frankfort Branch, respectively, are operated (the Owned Real Property and Leased Premises are, collectively, the "Real Property").

(c) Personal Property. The furniture, fixtures, equipment, improvements and other items of tangible personal property located at the Branch Offices as of the close of business on the Closing Date, together with sign structures, and all personal property used in connection with the safe deposit box business being transferred to Buyer hereunder (exclusive of the contents of leased safe deposit boxes), and with any manufacturers' licenses, warranties or maintenance or service agreements thereon which are in effect on the Closing Date and are assignable to Buyer (collectively, the "Personal Property"), as set forth on **Schedule C** to this Agreement, provided, however, Buyer is not acquiring and shall not be deemed to have acquired any unlicensed software or personal data the source of which is unknown. If, prior to the Closing Date, any item of Personal Property is stolen, destroyed or otherwise lost, such item shall be excluded from the sale contemplated hereby, and the term "Personal Property" as used herein shall exclude any such item(s). If, prior to the Closing Date, any item of Personal Property is damaged by fire or other casualty, such item(s), if repairable in the reasonable discretion of Buyer, shall be sold to Buyer (in accordance with the provisions hereof) and the insurance proceeds relating to such item shall be assigned to Buyer, it being understood that if any such item is not repairable in the reasonable discretion of Buyer, it shall be excluded from the sale contemplated hereby.

(d) Loans. Certain loans of Seller attributed to the Branch Offices as of the Closing Date (including without limitation all collateral, security, mortgages, notes, pledge and security agreements and other agreements related thereto, all accrued interest thereon and any other amounts due and payable in connection therewith) (the "Loans"), a list of which is set forth on **Schedule D** to this Agreement, as such list shall be updated as of the Closing Date:

- (i) to exclude (A) any Loan set forth on **Schedule D** that is repaid in full as to principal and interest prior to the Closing Date and (B) any loan that is, in Buyer's reasonable judgment, classified or non-performing as of the Closing Date;
- (ii) to include any additional loans, whether or not funded, originated at the Branch Offices after the date hereof which Buyer has agreed to purchase in its reasonable discretion;

- (iii) to include, when practical, loan commitments initiated in the ordinary course of business at the Branch Offices which Buyer has agreed to honor in its reasonable discretion; and
- (iv) subject to Section 9.01, to include approximately 780 credit card accounts associated with deposit and loan customers of the Branches (“Branch-related Credit Card Accounts”) with outstanding balances as of the date of this Agreement of approximately \$975,000, other than those credit card accounts that are, in Buyer’s reasonable judgment, classified or non-performing as of the Closing Date.

Upon request, Seller will provide Buyer reports of the status of the Loans set forth on **Schedule D**, including any additional loans described in clause (ii) and (iii) above for the purpose of identifying any loan to be excluded or included as a Loan in accordance with clauses (i), (ii) and (iii) above, and **Schedule D** shall be updated as of the Closing Date to exclude or include, as applicable, any loans so identified. It is the intent of the parties that subject to the foregoing, the aggregate outstanding principal balance of the Loans acquired by Buyer pursuant to this Agreement will be approximately \$112 million as of the Closing Date, which is consistent with the aggregate amount of the Loans identified on **Schedule D** attached hereto. At closing, Buyer will also assume, as Loans, all deposit-related overdrafts (“Overdrafts”) and utilize its reasonable routine collection procedures for overdrafts unpaid for sixty (60) days or more provided that, to the extent such Overdrafts are not collected within sixty days after the Closing Date, Seller will promptly reimburse Buyer for the uncollected amount upon Buyer presenting a listing thereof to Seller. Subject to the immediately preceding sentence with respect to Overdrafts, all Loans shall be assigned to Buyer without recourse against Seller and without any warranties or representations as to their collectability or the creditworthiness of any of the obligors of such Loans.

For the avoidance of doubt, the assignment of Loans “without recourse” shall have no effect on the representations and warranties in Section 3.05 or any remedies available to Buyer under this Agreement in the event of a breach thereof.

(e) Assumed Contracts. Seller’s rights under, or created by those contracts and leases relating to the operation or maintenance of the Branch Offices that are identified on **Schedule E** hereto, copies of which have been made available to Buyer, to the extent assignable by Seller (collectively, including the Banking Office Leases, the “Assumed Contracts”).

(f) Cash on Hand. All teller working cash, petty cash, ATM cash, vault cash and coin machine cash at the Branch Offices as of the close of business on the Closing Date (the “Cash on Hand”).

(g) Safe Deposit Box Business. All safe deposit box business located at the Branch Offices as of the close of business on the Closing Date (the “Safe Deposit Box Business”). A list of leased safe deposit boxes as of June 30, 2019, is set forth on **Schedule F** hereto. The Safe Deposit Box Business includes, without limitation, safe deposit box contracts and leases, the removable safe deposit boxes (exclusive of the contents of leased safe deposit boxes) and safe deposit stacks in the vault and all keys and combinations thereto and all prepaid rent for any safe deposit contracts or leases.

(h) Intangible Property. All of Seller's rights to the post office box used for the Banking Offices and telephone and facsimile numbers used at the Banking Offices, to the extent freely assignable by Seller.

Section 1.02. Assumption of Liabilities. Upon the terms and subject to the conditions set forth herein, Seller shall transfer and assign to Buyer, and Buyer shall assume from Seller and agree to fully and timely pay, perform and discharge, by documentation reasonably satisfactory as to form and substance to Seller and Buyer, as of the close of business on the Closing Date, the following liabilities, and none other (collectively, the "Assumed Liabilities"):

(a) Deposit Liabilities. All deposit liabilities maintained at the Branch Offices, in accordance with the terms of the agreements pertaining to such deposits, as shown on the books and records of Seller as of the close of business on the Closing Date, but prior to the transfer of any deposits to repurchase agreements, including accrued but unpaid interest thereon through the Closing Date, except as provided in Section 2.03(c) hereof (the "Deposits" or "Deposit Liabilities"), which such Deposit Liabilities as they existed on June 30, 2019, and as delineated by the Branch Office in which maintained, are identified on **Schedule G** hereto. As used herein, the term "deposit liabilities" shall include all of the deposit products offered by Seller from the Branch Offices, including, without limitation, all savings accounts, NOW accounts, passbook accounts, statement accounts, checking accounts, money market accounts, "sweep" accounts and related repurchase agreements and certificates of deposit, whether represented by collected or uncollected funds, as reflected in Seller's Records.

(b) Assumed Contracts. The obligations and liabilities of Seller arising after the Closing Date under the Assumed Contracts.

(c) Liabilities Not Assumed by Buyer. Other than those liabilities specifically assumed in Sections 1.02(a), 1.02(b) and 2.03 hereof, Buyer shall not assume or be bound by any duties, responsibilities, obligations or liabilities of Seller, whether known or unknown, disclosed or undisclosed, contingent or otherwise, which have arisen or may arise or be established in connection with the Assets or the conduct of business at the Branch Offices on or prior to the Closing Date (the "Excluded Liabilities").

Section 1.03. Names and Marks. Seller is not selling, assigning, conveying, transferring or delivering, nor shall Buyer acquire, any rights or interest in or to: (a) the names "Republic Bank & Trust Company" or any derivation thereof, or (b) any logos, service marks or trademarks, advertising materials, proprietary marked stationary or slogans or any similar items used by Seller in connection with its business, whether or not such is or was copyrighted or registered. Preceding the Closing Date, Seller shall begin the removal from the Branch Offices of signs, logos and other insignia identifying or identified with Seller, and Seller shall remove any remaining signs, logos and insignia of Seller from the Branch Offices on or before Closing on the Closing Date. On and after the Closing Date, Buyer shall not use the name or service mark of Seller in any manner in connection with the Buyer's operation of the Branch Offices, except in accordance with the provisions of Section 9.02 hereof. No activity conducted by Buyer on or after the Closing Date shall state or imply that Seller is in any way involved as a partner, joint venturer or otherwise in the business of Buyer.

Section 1.04. Excluded Assets. Except as specifically set forth herein, Seller is not selling, assigning, conveying, transferring or delivering, nor shall Buyer acquire, any rights or interest in or to any assets of Seller, including, without limitation, any of the following assets, all of which shall be retained by Seller and removed from the Branch Offices after the close of business on the Closing Date:

- (a) intellectual property, computer software (or licenses for the same), medallion program stamps, forms, labels or shipping materials of Seller;
- (b) any personal computer, but not including monitors, located at the Branch Offices, including any lease agreements with respect thereto; and
- (c) any personal data not required to be transferred pursuant to Section 1.01(a) or (d) herein;
- (d) all routing numbers of the Seller used in connection with the Branch Offices;
- (e) the telephone system located at the Branch Office, including any lease agreements with respect thereto; and
- (f) any Interactive Teller Machines ("ITMs") owned or leased by Seller.

Article 2.
Closing, Calculation of Purchase Price and Closing Deliveries

Section 2.01. The Closing. The closing of the purchase and assumption transaction contemplated by this Agreement (the "Closing") shall take place at the offices of Wyatt, Tarrant & Combs, 500 West Jefferson Street, Louisville, Kentucky, or at such other location as the parties may agree, at 10:00 a.m. Eastern Time on the Closing Date described in Section 2.02 of this Agreement.

Section 2.02. The Closing Date. The Closing shall take place on a date mutually agreed upon, in writing, by the parties, but in any case, on or before the later of (i) the thirty-first (31st) day following the satisfaction or waiver of all conditions to the obligations of the parties set forth in Article 7 (other than obligations to be performed at Closing); and (ii) the date on which Buyer has scheduled the conversion of the Branch Offices to Buyer's core data processing system. It is the intent of the parties that the Closing will occur on a Friday. The purchase and assumption transaction contemplated by this Agreement shall become effective at the close of business (and following the completion of end of day core data processing for the Branch Offices) on the day of the Closing (the "Closing Date").

Section 2.03.

Retirement Accounts.

(a) At the Closing, Seller shall resign as trustee and custodian with respect to any individual retirement account (“IRA Account”) as to which Seller is trustee or custodian and as to which one or more of the assets included therein is a deposit included within the Deposits transferred to Buyer on the Closing Date. At the Closing, Seller shall designate or appoint Buyer as successor trustee or custodian under each such IRA Account.

(b) Buyer covenants and agrees that it will, following its designation or appointment as successor trustee or custodian under the IRA Accounts, promptly and faithfully perform, fulfill, and discharge each of the obligations required to be performed by the trustee or custodian with respect to such accounts pursuant to law, or pursuant to the governing documents establishing such IRA Account.

(c) If an individual depositor holding an IRA Account refuses to accept the designation or appointment of Buyer as successor trustee or custodian with respect to any such IRA Account, Buyer shall promptly so inform Seller, and none of the deposits contained in such IRA Account (the “IRA Deposits”) shall be treated as Deposit Liabilities hereunder, but shall remain the liability and obligation of Seller, and the amount of such IRA Deposits, less the applicable Premium paid by Buyer to Seller pursuant to Section 2.04(a)(vi) for such IRA Deposits, shall be paid by Buyer to Seller promptly upon demand.

Section 2.04.

Calculation and Payment of Purchase Price. The calculation and payment of the Purchase Price (defined herein) shall be made as follows:

- (a) Seller shall pay to Buyer an amount of cash (the “Purchase Price”) equal to:
- (i) the aggregate amount of principal and accrued interest of the Deposit Liabilities; plus
 - (ii) the net amount of any prorated items required by Section 2.06 hereof owed by Seller to Buyer; minus
 - (iii) the Acquisition Value (defined herein) of the Assets (exclusive of the Cash on Hand); minus
 - (iv) the amount of Cash on Hand; minus
 - (v) the net amount of any prorated items required by Section 2.06 hereof owed by Buyer to Seller; minus

(vi) the "Premium", which shall be equal to the Applicable Percentage of the average book value of the Deposit Liabilities (excluding any accrued interest payable thereon) for the ten (10) days immediately preceding the Closing Date, where the "Applicable Premium" is: (A) 1% for Deposit Liabilities of governmental entities (referred to as public deposits), (B) 0% for Deposit Liabilities of customers located outside Kentucky (referred to as out-of-state customers), (C) 1% for Deposit Liabilities that are repurchase agreements (or represent deposit liabilities to be transferred to repurchase agreements), (D) 0% for Deposit Liabilities that are brokered deposits (as such term is defined in 12 CFR § 337.6(a)(2)), (E) 7% for Deposit Liabilities which are maintained at the Owensboro Owned Branch, the Owensboro Leased Branch and the Elizabethtown Branch and which are not public deposits, out-of-state deposits, repurchase agreements or brokered deposits (as described above); (F) 4.25% for Deposit Liabilities which are maintained at the Frankfort Branch and which are not public deposits, out-of-state deposits, repurchase agreements or brokered deposits (as described above).

(b) On the Closing Date, Seller shall transfer to Buyer, by wire transfer in immediately available funds to an account designated by Buyer, an amount which Seller reasonably in good faith estimates to be the amount of the Purchase Price, which estimated amount shall be based upon the Deposit Liabilities, the proration amounts, the Acquisition Value of the Assets and the Premium as of the close of business on the second business day prior to the Closing Date (the "Estimated Purchase Price"). Seller shall provide an accounting of the Estimated Purchase Price on the business day prior to the Closing Date for Buyer's review. The Cash on Hand shall be transferred to Buyer at the Banking Offices as of the close of business on the Closing Date.

(c) On the tenth (10th) business day after the Closing Date or such other date as may be agreed to in writing by the parties or determined in accordance with the following paragraph (the "Adjustment Payment Date"), an adjustment payment (the "Adjustment Payment") shall be made either by Seller to Buyer or by Buyer to Seller, as appropriate, so as to correct any discrepancy between the amount of the Estimated Purchase Price paid under the preceding paragraph and the Purchase Price calculated in accordance with this Section 2.04. Seller and Buyer shall agree upon a final closing statement which reflects the calculation of the Adjustment Payment relative to the Estimated Purchase Price. The Adjustment Payment due to either party pursuant to this paragraph shall be paid to such party on the Adjustment Payment Date by the other party by wire transfer in immediately available funds to an account designated by the payee party, with interest thereon from the Closing Date through the Adjustment Payment Date at a rate equal to the effective Federal Funds rate as published by the Board of Governors of the Federal Reserve System (together with any Federal Reserve Bank, the "Federal Reserve").

If Buyer and Seller are unable to agree upon a final closing statement within ten (10) business days after the Closing Date, the closing statement, or so much thereof as has been prepared by the parties, shall be submitted to BKD, LLP 600 North Hurstbourne Parkway, Louisville, KY 40222 (the "Independent Accountant"), along with any objections thereto and supporting documentation from each of Buyer and Seller. The Independent Accountant shall determine the Purchase Price and Adjustment Payment based on the terms of this Agreement and such determination shall be final, absent manifest error. In such an event, the "Adjustment Payment Date" shall be the third (3rd) business day after the date Buyer and Seller receive the written determination by the Independent Accountant of the Purchase Price and Adjustment Payment. If the determination of the Adjustment Payment is submitted to the Independent Accountant pursuant to this paragraph, Buyer and Seller shall provide one another and the Independent Accountant with access to all books and records necessary to determine the Adjustment Payment. Each of Seller and Buyer shall pay one-half of the Independent Accountant's fees.

- (d) For purposes of this Agreement, the "Acquisition Value" of the Assets shall be the sum of the following:
- (i) the aggregate outstanding principal and earned but unpaid interest on the Loans, as of the close of business on the Closing Date, excluding any loan loss reserve or general reserve which may be associated with the Loans; plus
 - (ii) the Appraised Value of the Owned Real Property (as defined and determined as provided below); plus
 - (iii) the net book value of the Personal Property as of the close of business on the Closing Date as shown on the books and records of Seller, which amount as of June 30, 2019 is specified in **Schedule C**.

The "Appraised Value" of the Owned Real Property is defined and shall be determined as follows: Each party shall select an independent appraisal firm reasonably acceptable to the other party that has not less than five (5) years' experience appraising real estate similar to the Owned Real Property, and shall engage such independent appraisal firm to appraise the fair market value of the Owned Real Property. The "Appraised Value" of the Owned Real Property shall be equal to the average of the fair market value as determined by the two appraisals so obtained; provided, however, that if the difference between the fair market values determined by the two appraisals is greater than ten percent (10%), then the parties shall jointly select and engage a third independent appraisal firm to appraise the fair market value of the Owned Real Property, and the average of the fair market value as determined by the three appraisals so obtained shall constitute the "Appraised Value" of the Owned Real Property. The parties agree to promptly select and engage the independent appraisal firms and obtain appraisals of the Owned Real Property as contemplated hereby with the intent that the Appraised Value of the Owned Real Property will be determined as soon as practicable, but in any event within thirty (30) calendar days of the date of this Agreement. Each party agrees to pay all costs relating to the initial appraisal performed by the independent appraisal firm engaged by it, and to share equally the costs of any third appraisal performed by an independent appraisal firm engaged jointly by the parties.

Section 2.05. Allocation of Purchase Price. The Purchase Price, as adjusted in accordance with Section 2.04(c) above, and the liabilities assumed by Buyer pursuant to Section 1.02 hereof shall be allocated on an allocation schedule to be agreed upon by Buyer and Seller within forty-five (45) days after the Closing Date. The allocation is intended to comply with the allocation method required by Section 1060 of the Internal Revenue Code of 1986, as amended. The parties shall (i) each report the federal, state and local and other tax consequences of the purchase and assumption contemplated hereby (including the filing of Internal Revenue Service Form 8594) in a manner consistent with such allocation schedule and (ii) take no position in any tax filing, return, proceeding, audit or otherwise which is inconsistent with such allocation.

Section 2.06. Prorations. The parties intend that Seller shall operate for its own account the business conducted at the Branch Offices in accordance with this Agreement until the close of business on the Closing Date, and that Buyer shall operate such business for its own account after the Closing Date. Thus, except as otherwise specifically provided in this Agreement, items of income or expense directly attributable to the operation of the Branch Offices (which shall not include any general overhead expenses of Seller) shall be prorated as of the close of business on the Closing Date, whether or not such adjustment would normally be made as of such time, including, without limitation, (i) telephone, electric, gas, water, and other utility services (to the extent it is not possible to transfer such services into the name of Buyer following the Closing Date), (ii) taxes associated with the Real Property and Personal Property, (iii) assessments (including, without limitation, assessments attributable to FDIC deposit insurance), (iv) payments due on Assumed Contracts, (v) any unearned non-interest income associated with the Safe Deposit Box Business, and (vi) similar income or expenses related to the Assets transferred hereunder. To the extent any such expense item has been prepaid by Seller for a period extending beyond the Closing Date, there shall be a proportionate adjustment in favor of Seller.

Section 2.07.

Closing Deliveries.

(a) At the Closing, Seller shall deliver to Buyer:

- (i) a Certificate or Certificates signed by an appropriate officer of Seller stating that (A) each of the representations and warranties contained in Article 3 is true and correct in all material respects at the time of the Closing with the same force and effect as if such representations and warranties had been made at Closing, and (B) all of the conditions set forth in Sections 7.02(b) and 7.02(d), insofar as Section 7.02(d) pertains to approvals required to be obtained by Seller, have been satisfied or waived as provided therein;
- (ii) evidence of payment to Buyer, by wire transfer in immediately available funds to an account designated by Buyer, of the Estimated Purchase Price;
- (iii) a certified copy of the resolutions of the Board of Directors of Seller authorizing the execution of this Agreement and the consummation of the purchase and assumption transaction contemplated hereby;
- (iv) an executed Assignment and Assumption of Deposit Liabilities Agreement in substantially the form set forth in **Exhibit I** hereto;

- (v) an executed Assignment and Assumption of Contracts Agreement in substantially the form set forth in **Exhibit 2** hereto;
- (vi) an executed Bill of Sale in substantially the form set forth in **Exhibit 3** hereto;
- (vii) a special warranty deed or deeds (subject to Permitted Exceptions, as such term is defined in Section 11.15 hereof), conveying the Owned Real Property to Buyer;
- (viii) an executed Assignment, Transfer and Appointment of Successor Trustee for IRA Accounts in substantially the form set forth in **Exhibit 4**;
- (ix) an executed Assignment of and Assumption of Lease and Consent and Estoppel Certificate, assigning each of the Banking Office Leases, and all of Seller's rights, title and interest thereunder, to Buyer in substantially the form set forth in **Exhibit 5** hereto;
- (x) an executed Limited Power of Attorney in substantially the form set forth in **Exhibit 6**;
- (xi) such other bills of sale, assignments, and other instruments and documents as Buyer and Seller may reasonably agree as necessary or desirable for transferring, assigning and conveying to Buyer good, marketable and insurable title to the Assets, including without limitation such assignments and other appropriate instruments of transfer and conveyance of all mortgages, notes, pledge and security agreements pertaining to the Loans being transferred to Buyer pursuant to this Agreement (including separate assignment documents for filing with respect to mortgages of record);
- (xii) listings of the Deposit Liabilities as of the Closing Date (the "Deposit Listings") on magnetic tape or utilizing such other method of information transfer as the parties may mutually agree, which Deposit Listings shall include, for each account, the account number, outstanding principal balance, accrued interest and the Branch Office at which the account is maintained, and identify those accounts that are public deposits, out-of-state deposits, repurchase agreements or brokered deposits (as described in Section 2.04(a)(vi));
- (xiii) such Records as are capable of being delivered to Buyer, which Records (other than the current promissory notes related to the Loans which shall be originals), may, at Seller's option, be delivered by delivery of imaged, photocopies or other non-original and non-paper media in lieu of original copies;

- (xiv) updated schedules, as applicable, of the Loans, the Personal Property, the Safe Deposit Box Business, and the Deposit Liabilities as of the latest date preceding the Closing Date for which such information is available; and
 - (xv) Cash on Hand.
- (b) At the Closing, Buyer shall deliver to Seller:
- (i) a Certificate or Certificates signed by an appropriate officer of Buyer stating that (A) each of the representations and warranties contained in Article 4 is true and correct in all material respects at the time of the Closing with the same force and effect as if such representations and warranties had been made at Closing, and (B) all of the conditions set forth in Sections 7.01(b) and 7.01(d), insofar as Section 7.01(d) pertains to approvals required to be obtained by Buyer, have been satisfied or waived as provided therein;
 - (ii) a certified copy of the resolutions of the Board of Directors of Buyer authorizing the execution of this Agreement and the consummation of the purchase and assumption transaction contemplated hereby;
 - (iii) an executed Assignment and Assumption of Deposit Liabilities Agreement in substantially the form set forth in **Exhibit 1** hereto;
 - (iv) an executed Assignment and Assumption of Contracts Agreement in substantially the form set forth in **Exhibit 2** hereto;
 - (v) an executed Bill of Sale in substantially the form set forth in **Exhibit 3** hereto; and
 - (vi) an executed Assignment, Transfer and Appointment of Successor Trustee for IRA Accounts in substantially the form set forth in **Exhibit 4** hereto; and
 - (vii) an executed Assignment of and Assumption of Lease and Consent and Estoppel Certificate for each of the Banking Office Leases in substantially the form set forth in **Exhibit 5** hereto.

Section 2.08. Transfer Taxes. Buyer shall pay all sales and other taxes in connection with the transfer of the Personal Property to the Buyer and shall pay all recording fees in connection with the transfer of the Real Property to the Buyer. Seller shall pay all real estate transfer taxes in connection with the transfer of the Real Property.

Article 3.
Representations and Warranties of Seller

Seller hereby makes the following representations and warranties:

Section 3.01. Organization. Seller is a state banking corporation duly organized and validly existing under the laws of the Commonwealth of Kentucky, and has the corporate power to carry on its business as the same is being conducted at the Branch Offices, to execute, deliver and perform this Agreement and to effect the transactions contemplated herein. Seller is an "insured depository institution" as defined in Section 3(c)(2) of the Federal Deposit Insurance Act and applicable regulations thereunder, the deposits in which are insured by the FDIC to the maximum extent permitted by the Federal Deposit Insurance Act, as amended, and applicable regulations thereunder and Seller is a member in good standing with the FDIC.

Section 3.02. Authorization. All necessary corporate actions have been taken to authorize the execution of this Agreement on Seller's behalf by Seller's duly authorized officers and the performance by Seller of its obligations hereunder. This Agreement has been duly and validly executed and delivered by Seller and constitutes a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, receivership, conservatorship or other similar laws affecting the enforcement of creditors' rights generally and to general principles of equity, whether considered in a proceeding at law or in equity.

Section 3.03. Non-Contravention. The execution and delivery of this Agreement by Seller do not, and, subject to the receipt of all required approvals and consents, including but not limited to regulatory approvals, the consummation of the transaction contemplated by this Agreement will not, constitute a breach or violation of or default under: (a) the Articles of Incorporation or Bylaws of Seller; (b) any law, rule, regulation, judgment, order, governmental permit, license, agreement, indenture, or instrument to which Seller is a party, or by which it or any of its assets or property is bound; (c) any provision of any promissory note, mortgage, indenture, lease or agreement to which Seller is a party or by which Seller or any of the Assets or Branch Offices is bound, or result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien (as such term is defined in Section 11.15 hereof), other than a Permitted Exception, upon any of the Assets under any such documents; or (d) any of the Assumed Contracts, which breach, violation, or default in the case of (b), (c) or (d) would hinder or delay the Closing or have an adverse effect on the business or properties of the Branch Offices after the Closing Date.

Section 3.04. Compliance with Law. Seller has all licenses, franchises, permits and other governmental authorizations that are legally required to enable it to conduct its business at the Branch Offices as presently conducted. The Seller is operating the Branch Offices in compliance in all material respects with all applicable laws and regulations and in compliance with Seller's written anti-money laundering program and written customer identification program as required by law.

Section 3.05.

Loans.

(a) Each Loan represents the legal, valid and binding obligation of the related borrower, enforceable by the holder of such Loan in accordance with its terms, except as enforcement may be limited by receivership, conservatorship and supervisory powers of bank regulatory agencies generally as well as by bankruptcy, insolvency, reorganization, moratorium or other laws of general applicability relating to or affecting creditors' rights, or the limiting effect of rules of law governing specific performance, equitable relief and other equitable remedies or the waiver of rights or remedies, and public policy. No Obligor under any of the Loans has asserted to an officer of Republic any claim or defense with respect to the subject matter thereof.

(b) Except for pledges to the Federal Home Loan Bank which will be released prior to Closing, none of the Loans is pledged to a third party and the principal balance and amount of accrued interest of each of the Loans as shown on Seller's books and records is true and correct.

(c) As applicable, with respect to the notes and mortgages comprising the Loans, Seller is in possession of all (i) original notes or lost note affidavits and (ii) mortgages or certified copies of such mortgages, provided that such mortgages have been returned by the local recording office, and shall deliver such originals, affidavits or certified copies in its possession to Buyer on the Closing Date, such delivery to take place at Seller's office located at 200 S. 7th Street, Louisville, KY 40202.

(d) Each Loan to the extent secured by a Lien of Seller, is secured by a valid and enforceable Lien of Seller in the collateral therefore, which Lien is assignable.

(e) Each Loan is being administered and serviced in compliance in all material respects with all applicable laws and is accruing interest in accordance with the respective terms thereof.

(f) Each Loan was originated by Seller in compliance in all material respects with all applicable laws in the ordinary course of Seller's business.

(g) Each Loan is evidenced by, as applicable, notes and mortgages which are true and genuine.

(h) No insurance product, other than title insurance, was sold by Seller in connection with a Loan, including, but not limited to, private mortgage insurance, credit life insurance, A&H insurance or unemployment insurance.

(i) Seller may transfer or assign each of the Loans to Buyer without the approval or consent of any obligor.

(j) Except as set forth in Section 3.05(a), (b), (c), (d), (e), (f), (g), (h) and (i), Seller makes no representation or warranty of any kind to Buyer relating to the Loans. Without limiting the generality of the foregoing, and subject to Section 1.01(d) with respect to Overdrafts, each of the Loans is transferred to Buyer without recourse, Seller shall not be responsible for (i) the sufficiency, value or collectability of the Loans or any document, instrument or agreement in the Loan files, (ii) any representation, warranty or statement made by an obligor or other party in or in connection with any Loan, (iii) the financial condition or credit worthiness of any primary or secondary obligor under any Loan or any guarantor or surety or other obligor thereof, (iv) the performance by any guarantor, surety or other obligor or compliance with any of the terms or provisions of any of the documents, instruments and agreements relating to any Loan, (v) inspecting any of the property, books or records of any guarantor, surety or other obligor, or (vi) the value of any collateral securing the loans.

Section 3.06. Deposits. All of the Deposits domiciled at the Branch Offices were issued and remain in compliance in all material respects with the documents governing the Deposit Liabilities and all applicable laws, orders and regulations and are insured by the FDIC to the maximum extent provided in the rules and regulations of the FDIC, and Seller has paid all assessments and has filed all reports required to be filed by it with the FDIC concerning the Deposits. No action is pending, or to the knowledge of Seller, threatened by the FDIC with respect to the termination of such insurance. The Deposits are genuine and enforceable obligations of Seller. The balance of each deposit account included in the Deposits as shown on Seller's books and records as of the close of business on the Closing Date will be true and correct. Seller has the right to transfer or assign each of the Deposits to Buyer subject to receipt of applicable Governmental Approvals.

Section 3.07. Real Property Matters.

(a) As to the Real Property, Seller is the owner of good and marketable fee simple interest in the Owned Real Property, free and clear of any Liens and subject only to Permitted Exceptions and those exceptions accepted or waived by Buyer. As of the date hereof, (i) there is no condemnation proceeding pending or, to the knowledge of Seller, threatened, which would preclude or impair the use of any of the Branch Offices as presently being used in the conduct of business of Seller; (ii) Seller has received no notices, oral or written, from any governmental body, that the assessed value of the Real Property has been determined to be greater than that upon which county, township or school tax was paid for the tax year applicable to each such tax and has no knowledge that any such matter is pending; (iii) Seller has received no notices, oral or written, and has no reason to believe, that any governmental body having the power of eminent domain over the Real Property has commenced or intends to exercise the power of eminent domain or a similar power with respect to all or any part of the Real Property; and (iv) no claim, demand, suit, Lien, proceeding or litigation of any kind, pending or outstanding, or to Seller's knowledge, threatened against Seller that would affect or limit Buyer's use and enjoyment of the Real Property or which would limit or restrict Seller's right or ability to consummate the transactions contemplated by this Agreement. Seller has not received any notice of a violation of zoning laws, building or fire codes or other laws, statutes, ordinances, codes or regulations relating to the operation of any of the Branch Offices. To Seller's knowledge, the improvements and building systems comprising the Real Property are in all material respects in good operating condition and repair, excluding normal wear and tear. The Real Property is connected to and serviced by water, solid waste and sewage disposal, storm drainage, telephone, gas and electricity facilities, each of which is, to the knowledge of Seller, in good operating condition, in compliance in all material respects with the requirements of the American with Disabilities Act and is adequate in all material respects for the present use and operation of the Branch Offices.

(b) Prior to the execution of this Agreement, Seller has provided to Buyer true and complete copies of each of the Banking Office Leases. Each of the Banking Office Leases is valid, legally binding, in full force and effect and enforceable in accordance with its terms as to the Seller and, to Seller's knowledge, as to the other party to each such lease. There is not under any of the Banking Office Leases: (A) any default by Seller or, to Seller's knowledge, any claim of default which with notice or lapse of time, or both, would constitute a default; or (B) any default or claim of default against Seller, or any event of default or event which with notice or lapse of time, or both, would constitute a default. The consummation of the transactions contemplated hereby will not result in a breach or default under any of the Banking Offices Leases.

Section 3.08. Assets. In addition to the Real Property, Seller has good and marketable title to all other assets comprising the Assets free and clear of all Liens other than Permitted Exceptions and except for consents required to transfer the Assets, as disclosed in **Schedule E**. Seller has the right to sell, convey, transfer, assign and deliver to Buyer all of Seller's right, title and interest in, to and under the Assets. The Assets necessary to operate the Branch Offices are in good operating condition, in all cases giving consideration to each item's age and use and subject to ordinary wear, and consist of all of the tangible assets owned or leased by Seller and used by it in the operation of the Branch Offices as of the date hereof, except for the ITMs which are being retained by Seller. Subject to the foregoing, such Assets will be received by Buyer in "AS IS, WHERE IS," CONDITION, WITH NO WARRANTIES OR GUARANTEES BY SELLER AS TO FUTURE PERFORMANCE, FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY OR OTHERWISE, EXCEPT THOSE WARRANTIES CONTAINED IN THIS AGREEMENT AND THE INSTRUMENTS, CERTIFICATES AND OTHER DOCUMENTS TO BE DELIVERED PURSUANT HERETO.

Section 3.09. Environmental Matters. Seller has made available to Buyer copies of all environmental reports, testing results and site assessments obtained by Seller or in Seller's possession regarding the Real Property. To the best of Seller's actual knowledge: (i) no asbestos, petroleum products, or other Hazardous Materials are present on, in, or under the Real Property or any improvements thereon, except for such Hazardous Materials that are present in the ordinary course of business of the Branches and in compliance with applicable Environmental Laws; (ii) the Real Property currently is and has in the past been owned or leased, as applicable, and operated by Seller in compliance with all material applicable Environmental Laws; (iii) there are no underground storage tanks on the Real Property; (iv) there are no liabilities to which Seller is subject with respect to the Real Property, whether accrued, contingent, absolute, determined or otherwise arising under or relating to any Environmental Law; and (v) there are no facts, conditions or situations (including any discharges or releases of Hazardous Materials) which could reasonably be expected to result (individually or collectively) in any material liability arising under applicable Environmental Laws with respect to Seller's past or present ownership, use or operations of the Real Property. Seller has not received any written notice, request for information, citation, complaint, summons or order relating to any violation or alleged violation of, or any liability under, any Environmental Law in connection with the Branch Offices. Except as to the foregoing representations and warranties in this Section 3.07, and notwithstanding any other representations and warranties made by Seller in any other section of this Article 3, Seller makes no representation or warranty of any kind to Buyer or any third party whatsoever, expressed or implied, with respect to any environmental conditions.

“Environmental Laws” shall mean all federal, state or local laws, rules, regulations, codes, or ordinances, and any legal binding judicial or administrative interpretations thereof, including orders, decrees, judgments, rulings, directives or notices of violation, that create duties, obligations or liabilities with respect to (a) the protect or preservation of human health or the environment, or (b) the existence, use, storage, treatment, discharge, release, containment, transportation, generation, manufacture, refinement, handling, production, disposal or management of any Hazardous Materials, or otherwise regulating or providing for the protection of human health or the environment against Hazardous Materials, and further including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. § 5101 *et seq.*), the Public Health Service Act (42 U.S.C. § 300 *et seq.*), the Pollution Prevention Act (42 U.S.C. § 13101 *et seq.*), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. § 136 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*), the Safe Drinking Water Act (21 U.S.C. § 349; 42 U.S.C. §§ 201, 300f *et seq.*), the Toxic Substances Control Act (15 U.S.C. § 2601 *et seq.*), the Clean Water Act (33 U.S.C. § 1251 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Occupational Safety and Health Act (29 U.S.C. § 651 *et seq.*), and similar state and local statutes, and all regulations adopted pursuant thereto, each as amended. “Hazardous Materials” means any substance, chemical, material or waste which is designated or defined (either by inclusion in a list or by reference to a characteristic) as hazardous or toxic, or as a pollutant or contaminant, and that is regulated by any federal, state or local government body, including any chemical, material, substance or waste defined as a “hazardous waste,” “hazardous material,” “hazardous substance,” “contaminant,” “toxic waste” or “toxic substance” or other similar terms, and shall include, without limitation, pesticides, petroleum products or byproducts, asbestos, polychlorinated biphenyls and radiation.

Section 3.10. Litigation. There is no litigation, claim or other proceeding pending or, to the knowledge of Seller, threatened, against Seller arising out of Seller’s operation of the Branch Offices or the ownership of the Assets that materially affects any of the Assets or Assumed Liabilities or materially affects the ability of Seller to carry out this Agreement or any of the transactions contemplated hereby. To Seller’s knowledge, there are no facts or circumstances that would reasonably be expected to result in any material claims, obligations or liabilities with respect to the Branch Offices, the Assets or the Assumed Liabilities other than as otherwise disclosed in this Agreement.

Section 3.11. Validity of Contracts. Each of the Assumed Contracts constitutes the legal, valid and binding obligations of the parties thereto, enforceable in accordance with their respective terms subject to bankruptcy, insolvency, reorganization, moratorium, receivership, conservatorship or other similar laws affecting the enforcement of creditors’ rights generally and to general principles of equity, whether considered in a proceeding at law or in equity. Seller is not in default under any of the Assumed Contracts and, to Seller’s knowledge, no other party to any of the Assumed Contracts is in material default thereunder.

Section 3.12. Community Reinvestment Act. Seller has not been advised of any supervisory concerns regarding its compliance with the Community Reinvestment Act (12 U.S.C. §§ 2901 et seq.) in the markets served by the Branch Offices, and has no knowledge of any planned or threatened objections by any community group to the transactions contemplated hereby. Seller was rated "Satisfactory" or "Outstanding" following its most recent Community Reinvestment Act examination by the regulatory agency responsible for its supervision.

Section 3.13. Employee Matters.

(a) **Exhibit 3.13** sets forth a true, complete and accurate list of all employees of Seller at the Branch Offices (the "**Employees**") as of the date set forth on such Exhibit, together with their job title, rate of salary or wages, vacation benefits, and any profit sharing, bonus or other form of compensation paid by Seller (other than salary) for the benefit of such person for the year ending December 31, 2018. **Exhibit 3.13** also sets forth the method by which any profit sharing, bonus or other form of compensation is calculated, determined and/or awarded to an Employee.

(b) Seller is not currently and has not previously been a party to any collective bargaining or other labor union contract applicable to the Employees. Seller is not negotiating a collective bargaining agreement, and, to the knowledge of Seller, there is no present effort or existing proposal to attempt to unionize any group of employees of Seller. There is no labor dispute, strike or work stoppage against Seller pending or, to the knowledge of Seller, threatened that may interfere with the business operations of the Branch Offices.

Section 3.14. Records. The Records of Seller pertaining to the Assets and Assumed Liabilities are correct, accurate and complete in all material respects, and fairly reflect information regarding such Assets and Assumed Liabilities. Such Records are in compliance in all material respects with all applicable legal requirements.

Section 3.15. Tax Matters. Seller has filed all income tax returns and reports related to the Branch Offices, including amendments, which are materially correct, complete and comply in all material respects with all applicable laws and regulations, and has paid all real and personal property taxes and assessments, and all payroll and unemployment taxes, including any related penalties, interest, and deficiencies, that have become due and payable by Seller with respect to the Branch Offices, the Employees, or any of the Assets. Seller has withheld and paid to the appropriate governmental agencies all withholding taxes relating to the payment of wages to the Employees required to be withheld and paid by Seller. Any claims for refunds of taxes which have been paid by Seller shall remain the property of Seller. For all completed tax years, Seller has sent to the designated account holder with respect to the Deposit Liabilities an IRS Form 1099 (or a substitute form permitted by law) relating to the interest, earnings, or dividends paid on the Deposit Liabilities for those periods, to the extent required by law.

Section 3.16. Insurance. Seller maintains in full force and effect insurance on the Real Property and the Assets against such risks and losses as are customary for comparable entities engaged in the same business and industry.

Section 3.17. IRA Documentation. Seller's IRA documentation complies in all material respects to the requirements of the Internal Revenue Code and applicable regulations. Such IRA accounts being assumed by Buyer have been established and maintained in compliance in all material respects with such requirements and regulations.

Section 3.18. Consents and Approvals. Except for Governmental Approvals and consents relating to the IRA Accounts, Assumed Contracts and Leases, no consents, approvals, filings or registrations with any third party or any public body, agency or authority are required in connection with Seller's consummation of the transactions contemplated by this Agreement.

Section 3.19. Brokerage. There are no existing claims or agreements for brokerage commissions, finders' fees, or similar compensation in connection with the purchase and assumption transaction contemplated by this Agreement.

Section 3.20. Regulatory Matters. There are no pending or, to Seller's knowledge, threatened disputes, controversies or enforcement actions between Seller and any federal, state or local governmental agency or authority, or investigation or inquiry by any such agency or authority, affecting or relating to the Branch Offices, the Assets or the Assumed Liabilities.

Section 3.21. Information and Data Security. There are no pre-existing, existing, or pending incidents that to Seller's knowledge may constitute a compromise of the administrative, technical or physical security of the Branch Offices, the Assets, or the Assumed Liabilities, whether maintained by in-house information technology or third-party service provider(s).

Section 3.22. Statements True and Correct. No representation or warranty by Seller contained in this Agreement (including, without limitation, the Schedules hereto) contains any untrue statement of fact or omits any statement of fact necessary to make the statements herein not materially misleading. To Seller's knowledge, there is no fact or circumstance involving Seller or its bank holding company (including, without limitation, non-compliance with the Bank Secrecy Act) that would, at the Closing, prevent Seller from consummating the transactions contemplated by this Agreement or that would reasonably be expected to prevent Buyer from obtaining all regulatory approvals necessary for the consummation of the transactions contemplated by this Agreement on terms satisfactory to it.

Article 4.
Representations, Warranties and Covenants of Buyer

Buyer hereby makes the following representations, warranties and covenants:

Section 4.01. Organization. Buyer is a state banking corporation duly organized and validly existing under the laws of the Commonwealth of Kentucky and has the corporate power to carry on its business and to assume the liabilities being transferred and to effect the transactions contemplated herein. Buyer is an "insured depository institutions" as defined in Section 3 (c)(2) of the Federal Deposit Insurance Act and applicable regulations thereunder, the deposits in which are insured by the FDIC to the maximum extent permitted by the Federal Deposit Insurance Act, as amended, and applicable regulations thereunder and Buyer is a member in good standing with the FDIC.

Section 4.02. Authorization. All necessary corporate actions have been taken to authorize the execution of this Agreement on Buyer's behalf by Buyer's duly authorized officers and the performance by Buyer of its obligations hereunder. This Agreement has been duly and validly executed and delivered by Buyer and constitutes the duly authorized, legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and to general principles of equity, whether considered in a proceeding at law or in equity.

Section 4.03. Non-Contravention. The execution and delivery of this Agreement by Buyer do not, and, subject to the receipt of all required approvals and consents, including but not limited to regulatory approvals, the consummation of the transaction contemplated by this Agreement will not, constitute a breach or violation of or default under (a) the Articles of Incorporation or Bylaws of Buyer or (b) any law, rule, regulation, judgment, order, governmental permit or license, agreement, indenture, or instrument to which Buyer is a party, or by which it or any of its assets or property is bound, which breach, violation, or default could hinder or delay the Closing or would have a material adverse effect on Buyer.

Section 4.04. Consents to Transaction. The consummation of the purchase and assumption transaction contemplated by this Agreement does not require Buyer to obtain the prior consent or approval of any person, other than regulatory approval from the appropriate regulatory authorities.

Section 4.05. Litigation. There are no governmental or administrative proceedings or other proceedings, litigation, judgment or claims pending or threatened against Buyer or any of its affiliates affecting the ability of Buyer to carry out this Agreement, or any of the transactions contemplated hereby, or which will materially affect Buyer or its operation of the Branch Offices after the Closing Date.

Section 4.06. Brokerage. Except for Janney Montgomery Scott LLC, the fees of which will be paid by Buyer, and any fees that might be incurred by Seller prior to Closing in connection with the extension or modification of the Banking Office Leases, which include the Frankfort Branch, there are no existing claims or agreements for brokerage commissions, finders' fees, or similar compensation in connection with the purchase and assumption transaction contemplated by this Agreement.

Section 4.07. Statements True and Correct. No representation or warranty by the Buyer contained in this Agreement contains any untrue statement of fact or omits any statement of fact necessary to make the statements herein not materially misleading.

Section 4.08. Community Reinvestment and Bank Secrecy Acts. Buyer has not been advised of any supervisory concerns regarding its compliance with the Community Reinvestment Act (12 U.S.C. § 2901 et seq.) or the Bank Secrecy Act that would, at the Closing, prevent Buyer from consummating the transactions contemplated by this Agreement or that would reasonably be expected to prevent Buyer from obtaining all Governmental Approvals (as hereinafter defined) necessary for the consummation of the transactions contemplated by this Agreement on terms satisfactory to it. Buyer was rated "Satisfactory" or "Outstanding" following its most recent CRA examination by the regulatory agency responsible for its supervision.

Section 4.09. Pro Forma Capital Requirements. Buyer is and, on a pro forma basis giving effect to the transactions and the financing contemplated by Buyer, will be (a) at least "adequately capitalized", as defined for purposes of the Federal Deposit Insurance Act and the rules and regulations promulgated thereunder, and (b) in compliance with all capital requirements, standards and ratios required by each regulator with jurisdiction over Buyer, and no such regulator has indicated that it will condition any of the Government Approvals (as hereinafter defined) upon an increase in Buyer's capital in excess of the amount Buyer has, and will have on the Closing Date, available to it. Buyer's ability to consummate the transactions contemplated hereby is not contingent upon raising any equity capital or obtaining specific financing therefor.

Article 5.
Agreements of Seller

Section 5.01. Business in Ordinary Course.

(a) Except as may be required to obtain regulatory approvals or as otherwise may be required by any regulatory authority, after the date of this Agreement, Seller shall not, without the prior written consent of Buyer (which consent shall not be unreasonably withheld):

- (i) cause or permit any Branch Office to engage or participate in any material transaction or incur or sustain any material obligation except in the ordinary course of business consistent with past practices, including any obligations or commitments relating to improvements or purchases of Personal Property;
- (ii) solicit or accept any deposits at rates in excess of those being paid generally at other branches of Seller;
- (iii) enter into any discussion, commitment, agreement, understanding or other arrangement to dispose of, sell, transfer, convey or encumber any of the Assets or the Branch Offices, except pursuant to this Agreement;
- (iv) make any material change in its customary policies for setting rates on Deposits at the Branch Offices, or any material change in its business practices for attracting or retaining deposit relationships with potential or existing customers; provided, however, that this clause shall not prohibit Seller from changing the interest rates offered or paid on Deposits provided such rates are consistent with then prevailing market rates, its other branch offices, or prior business practices regarding the establishment of such rate;

- (v) introduce any new Deposit or Loan products or services at the Branch Offices;
- (vi) undertake any actions which are inconsistent with a program to use all reasonable efforts to maintain good relations with employees employed at, and customers of, the Branch Offices, unless such actions are required or permitted by this Agreement or required by any regulatory authority; provided however, that Seller shall continue to have the right and ability to terminate, with or without cause, any employees of the Seller assigned to the Branch Office prior to the Closing Date in the ordinary course of business; or
- (vii) incur or agree to incur any obligation or liability that Buyer would be obligated to assume pursuant to this Agreement except liabilities and obligations incurred in the ordinary course of business consistent with past practice.

(b) Seller shall not, without the prior written consent of Buyer, engage in any transaction or take any action that would render untrue in any material respect any of the representations and warranties of Seller contained in Article 3 hereof, if such representations and warranties were given as of the date of such transaction or action.

(c) Seller shall promptly notify Buyer in writing of the occurrence of any matter or event known to and directly involving Seller, which would not include any changes in conditions that affect the banking industry generally, that has resulted in a Material Adverse Change (as hereinafter defined) in the business, operations, properties, assets, or condition (financial or otherwise) of the Branch Offices.

(d) On or before the Closing Date, Seller shall remove the ITMs at the Elizabethtown Branch in a workmanlike manner, replace vacuum tubes that existed prior to installation of the ITMs, and repair any damage caused by the removal.

Section 5.02. Breaches. Seller shall, in the event it has knowledge of the occurrence, or impending or threatened occurrence, of any event or condition which would cause or constitute a breach (or would have caused or constituted a breach had such event occurred or been known prior to the date hereof) of any of its representations or agreements contained or referred to herein, give prompt written notice thereof to Buyer and use its commercially reasonable best efforts to prevent or promptly remedy, and indemnify and hold Buyer harmless from, the same.

Section 5.03. Regulatory Approvals.

(a) Seller shall use its commercially reasonable efforts to assist Buyer in obtaining the Governmental Approvals (as hereinafter defined). To the extent permitted by applicable law, Seller shall provide Buyer or the appropriate governmental authorities with all information reasonably required to be submitted by Seller in connection with the Governmental Approvals.

(b) Seller shall, as soon as is practicable, notify the proper regulatory authorities of its intent to terminate Seller's operation of the Branch Offices and to consummate the transactions contemplated hereby and thereafter shall (1) comply with the normal and usual requirements imposed by such authorities applicable to effectuate such transactions and (2) use its commercially reasonable best efforts to obtain any required permission of such regulatory authorities to cease operating the Branch Offices upon the Closing.

Section 5.04. Consents to Assumed Contracts.

(a) Seller shall use commercially reasonable efforts to obtain all necessary consents with respect to all interests of Seller in the Assumed Contracts (including any Banking Office Lease) which require the consent of another person for their transfer or assumption pursuant to this Agreement, if any.

(b) Prior to the Closing, Seller will exercise commercially reasonable efforts to amend the Banking Office Lease for the Frankfort Branch to extend its term for up to an available ten (10) additional years (which may include a renewal option with a CPI cost adjustment), which amendment shall be in form and substance acceptable to Buyer, and to obtain any consents required for the assignment of the Banking Office Leases to Buyer at the Closing. Seller shall promptly notify Buyer if it is unable to effect such an amendment to the Banking Office Lease for the Frankfort Branch prior to the Closing Date, in which event Buyer may elect, within thirty (30) days after it receives such notice, to terminate this Agreement with respect to the Frankfort Branch.

(c) If Seller is unable to obtain any consent required for the assignment of the Banking Office Lease for the Elizabethtown Branch, Seller will promptly notify Buyer, in which event Buyer may elect, within thirty (30) days after it receives such notice, to terminate this Agreement with respect to the Elizabethtown Branch.

(d) Seller will promptly notify Buyer if Seller is unable to obtain any consent required for the assignment of the Banking Office Lease for the Owensboro Leased Branch (the "Owensboro Banking Office Lease") by August 16, 2019, in which event: (i) the Owensboro Banking Office Lease, and the furniture, fixtures and equipment located at the Owensboro Leased Branch (and associated contracts) ("Excludable Assets") shall be excluded from the Assets to be purchased and sold pursuant to this Agreement, and Section 1.01 shall be construed accordingly; (ii) Seller will, as soon as practicable (and in any event no later than August 30, 2019), provide notice to the landlord under the Owensboro Banking Office Lease that the term of the Owensboro Banking Office Lease will not be renewed at the end of its current term (October 31, 2019) and provide the regulatory, customer and other notices required to close the Owensboro Leased Branch on the Closing Date, effective at the time of the Closing, or, if later, on the first business day following the expiration of the required 90-day regulatory and customer notice period for the closure of the Owensboro Leased Branch (as applicable, the "Branch Closure Date"); (iii) on the Closing Date, Seller will sell and transfer to Buyer, and Buyer will acquire and purchase, all of the Assets of the Owensboro Leased Branch (including, for the avoidance of doubt, the Records, Loans and Deposits of the Owensboro Leased Branch but excluding the Excludable Assets); (iv) Seller will close the Owensboro Leased Branch on the Branch Closure Date; and (v) if the Branch Closure Date occurs after the Closing Date then (A) during the period between the Closing and the Branch Closure Date, Seller may continue to operate the Owensboro Leased Branch as required by law and (B) on the Branch Closure Date, Seller shall sell and transfer to Buyer, and Buyer shall acquire and purchase, in accordance with the terms and conditions of this Agreement, any new accounts opened and banking relationship established at the Owensboro Leased Branch during the period between the Closing and the Branch Closure Date (together with any records, documents and agreements relating thereto) that fit within any of the categories of Assets as determined as if the Closing Date was occurring on the Branch Closure Date.

Section 5.05. Title Commitment and Surveys. Seller shall provide Buyer, at Buyer's expense, with a commitment or commitments for title insurance with respect to the Owned Real Property within thirty (30) days after the execution of this Agreement issued by a title insurance company approved by Buyer (the "Title Insurer"). Such commitment must be reasonably satisfactory to Buyer in form, scope and substance, and must contain the agreement of the Title Insurer to insure good, merchantable and marketable title to the fee simple estate in the Owned Real Property to Buyer. Buyer requires that a Form 3.1 zoning endorsement be added to the title commitment. Seller shall furnish any documents reasonably required by the Title Insurer, including a Vendor's Affidavit to induce the Title Insurer to issue a final policy, with the preprinted standard exceptions deleted for parties in possession and mechanic's liens. At Closing, Buyer shall pay for the costs of the title insurance and an insured closing. The cost of the Form 3.1 zoning endorsement shall be paid by Buyer and any other endorsements requested by Buyer shall be paid for by Buyer. Any other closing fees charged by the Title Insurer not attributable to the fact that the closing shall be insured, such as recording fees or legal expenses of the Title Insurer, shall be split equally by the parties. Buyer shall have ten (10) business days after the receipt of both any survey and the commitment for title insurance to object, in writing, to any exceptions or other matters contained therein. If no objections are made, Buyer shall be deemed to have accepted the status of title. Buyer and Seller agree that Buyer accepts and waives objections to Permitted Exceptions. Buyer and Seller hereby acknowledge their mutual understanding that Seller is under no obligation to cause any exceptions or other matter to which Buyer may have objected to be corrected, and if any objections are not cured to Buyer's satisfaction, Buyer may terminate this Agreement within five (5) business days following Seller advising Buyer in writing that it does not intend to cause any exceptions or other matters to which Buyer may have objected to be corrected.

Section 5.06. Consummation of Agreement. Seller shall use its commercially reasonable best efforts to perform and fulfill all conditions and obligations on its part to be performed or fulfilled under this Agreement and to effect the purchase and assumption transaction contemplated by this Agreement in accordance with the terms and provisions hereof. Seller shall furnish to Buyer in a timely manner all information, data and documents in the possession of Seller requested by Buyer as may be required to obtain any necessary regulatory or other approvals of the purchase and assumption transaction contemplated by this Agreement and shall otherwise cooperate fully with Buyer to carry out the purpose and intent of this Agreement.

Section 5.07. Access to Information. Seller shall permit Buyer reasonable access, in a manner which will avoid undue disruption or interference with Seller's normal operations, to the Branch Offices and shall disclose and make available to Buyer at the main office of Seller all books, documents, papers and records relating to the Branch Offices, its assets, operations, obligations and liabilities, including, but not limited to, all books of account (including the general ledger), tax records, material contracts and agreements, loan files, overdraft reports, filings with any regulatory authority, litigation files, and any other business activities or prospects in which Buyer may have a reasonable and legitimate interest in furtherance of the purchase and assumption transaction contemplated by this Agreement. Buyer will hold any such information in accordance with the provisions of Section 11.01 hereof.

Section 5.08. Environmental Diligence. Buyer may obtain, at Buyer's expense, a Phase I environmental site assessment ("Phase I ESA") for each or any of the Owned Real Property and/or the Leased Premises within forty-five (45) days following the date of this Agreement. Buyer shall give to Seller a copy of any report resulting from such Phase I ESA within five (5) days of Buyer's receipt of such report, unless Seller informs Buyer in writing prior to such delivery that Seller does not wish to receive a copy of such report. Further, Buyer shall give Seller written notice within ten (10) days after the date of Buyer's receipt of any such Phase I ESA report if Buyer reasonably deems the environmental condition of any of the Real Property to be unacceptable based on the findings of such Phase I ESA report, and identifying measures that Buyer reasonably believes to be necessary to cure such condition based on information then available. Within ten (10) days after Seller's receipt of any such timely notice from Buyer Seller shall notify Buyer in writing of Seller's decision whether or not to cure such condition to the reasonable satisfaction of Buyer. If Seller elects not to cure, Buyer may elect to terminate this Agreement by providing written notice of termination to Seller within five (5) business days of the receipt of Seller's notice. If Seller elects to cure, Seller shall perform the necessary cure measures within a commercially reasonable period of time and in any event prior to the Closing Date. Buyer's failure to deliver any notice required hereby on a timely basis shall constitute a waiver of any objections Buyer may have had with respect to the environmental condition of the Real Property.

Section 5.09. Condemnation Proceedings. If between the date of this Agreement and Closing the Real Property or any material portion thereof or interest therein shall be taken or condemned as a result of the exercise of the power of eminent domain, or if a governmental body having the power of eminent domain informs Seller or the Buyer that it intends to take or condemn all or a material part of the Real Property then the Buyer may elect, within ten (10) days after it receives notice of such condemnation and the portion of the Real Property to be affected thereby, to either terminate this Agreement in its entirety or terminate this Agreement with respect to the Branch Office located on the Real Property subject to such condemnation or eminent domain.

Article 6.
Agreements of Buyer

Section 6.01. Regulatory Approvals. Buyer shall, within 10 business days following the date of this Agreement, prepare and file all applications, as required by law, with the appropriate federal and/or state regulatory authorities for approval to purchase the Assets and assume the liabilities and obligations of Seller being assumed hereunder, to establish a branch at the location of each of the Branch Offices and to effect in all other respects the transactions contemplated hereby (the "Governmental Approvals"). Buyer agrees to (1) make draft copies of the applications available to Seller and its counsel prior to filing, (2) process the applications in a diligent manner and on a priority basis, (3) request confidential treatment by the appropriate federal and/or state regulatory authorities of any nonpublic information concerning Seller or the Branch Offices submitted in the applications, (4) provide Seller and its counsel promptly with a copy of the applications as filed and all notices, orders, and approval letters with respect thereto, and (5) use its commercially reasonable best efforts to obtain all Governmental Approvals. Notwithstanding the foregoing sentence, Seller shall not have any right to review, inspect and/or receive copies of any proprietary information submitted by Buyer to any regulatory authority, including, but not limited to, any financial data or analysis prepared by or on behalf of Buyer in relation to such Governmental Approvals. Buyer and Seller agree to cooperate and each use commercially reasonable best efforts to obtain all consents and approvals of all third parties and to do all things necessary to consummate the transactions contemplated by this Agreement.

Section 6.02. Breaches. Buyer shall, in the event it has knowledge of the occurrence, or impending or threatened occurrence, of any event or condition which would cause or constitute a breach (or would have caused or constituted a breach had such event occurred or been known prior to the date hereof) of any of its representations or agreements contained or referred to herein, give prompt written notice thereof to Seller and use its commercially reasonable best efforts to prevent or promptly remedy the same.

Section 6.03. Consummation of Agreement. Buyer shall use its commercially reasonable best efforts to perform and fulfill all conditions and obligations on Buyer's part to be performed or fulfilled under this Agreement and to effect the purchase and assumption transaction contemplated by this Agreement in accordance with the terms and conditions hereof.

Section 6.04. Access to Information. Buyer shall disclose and make available to Seller such information of Buyer in which Seller may have a reasonable and legitimate interest in furtherance of the transactions contemplated by this Agreement. Seller will hold any such information which is nonpublic in confidence in accordance with the provisions of Section 11.01 hereof.

Article 7.

Conditions Precedent to the Branch Purchase and Assumption

Section 7.01. Conditions to Seller's Obligations. Seller's obligations to effect the purchase and assumption transaction contemplated by this Agreement shall be subject to the satisfaction (or waiver by Seller) prior to or on the Closing Date of the following conditions:

- (a) The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made or given on the Closing Date;
- (b) Buyer shall have performed and complied in all material respects with all of its obligations, covenants and agreements required to be performed prior to the Closing Date under this Agreement;

(c) No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the purchase and assumption transaction contemplated by this Agreement shall be in effect nor shall any proceeding by any bank regulatory authority or other governmental agency seeking any of the foregoing be pending. There shall not be any action taken, or any statute, rule, regulation or order enacted, entered, enforced or deemed applicable to the purchase and assumption transaction contemplated by this Agreement which makes the consummation of such transaction illegal;

(d) All necessary regulatory approvals, consents, authorizations and other approvals required by law for consummation of the purchase and assumption transaction contemplated by this Agreement shall have been obtained in a manner and form reasonably satisfactory to Seller, and all waiting periods required by law shall have expired;

(e) Seller shall have received all documents required to be received from Buyer on or prior to the Closing Date, all in form and substance reasonably satisfactory to Seller; and

(f) Buyer shall have accepted status of title as reflected in the commitment(s) for title insurance (as such commitment(s) may have been modified) delivered by Seller pursuant to Section 5.05 hereof.

Section 7.02. Conditions to Buyer's Obligations. Buyer's obligations to effect the purchase and assumption transaction contemplated by this Agreement shall be subject to the satisfaction (or waiver by Buyer) prior to or on the Closing Date of the following conditions:

(a) The representations and warranties made by Seller in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made or given on and as of the Closing Date;

(b) Seller shall have performed and complied in all material respects with all of its obligations, covenants and agreements required to be performed prior to the Closing Date under this Agreement;

(c) Seller has, to Buyer's reasonable satisfaction, cooperated and assisted with arrangements and preparations for the conversion of data and services in the manner provided in **Schedule H**;

(d) No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the purchase and assumption transaction contemplated by this Agreement shall be in effect, nor shall any proceeding by any bank regulatory authority or other governmental agency seeking any of the foregoing be pending. There shall not be any action taken, or any statute, rule, regulation or order enacted, entered, enforced or deemed applicable to the purchase and assumption transaction contemplated by this Agreement which makes the consummation of such transaction illegal;

(e) All necessary regulatory approvals, consents, authorizations and other approvals required by law for consummation of the purchase and assumption transaction contemplated by this Agreement shall have been obtained in a manner and form and on terms and conditions reasonably satisfactory to Buyer, and all waiting periods required by law shall have expired;

(f) Buyer shall have received all documents required to be received from Seller on or prior to the Closing Date, all in form and substance reasonably satisfactory to Buyer;

(g) Buyer shall have accepted status of title as reflected in the commitment(s) for title insurance delivered by Seller pursuant to Section 5.05 hereof;

(h) Buyer shall not have elected to terminate this Agreement pursuant to Section 5.08 hereof; and

(i) There shall not have been a Material Adverse Change in the business, operations, properties, assets or condition (financial or otherwise) of the Branch Offices. For purposes herein, a "Material Adverse Change" shall mean, with respect to the Branch Offices, any effect, change, condition or development that individually or in the aggregate is material and adverse to the business, operations, properties, assets or condition (financial or otherwise) of the Branch Offices; provided, however, that changes or developments in general economic conditions and/or conditions or legal or regulatory requirements that affect the banking industry generally shall not constitute a "Material Adverse Change."

Article 8.

Termination or Abandonment

Section 8.01. Mutual Agreement. This Agreement may be terminated by the mutual written agreement of the parties at any time prior to the Closing Date.

Section 8.02. Breach of Representations or Agreements. In the event that there is a material breach in any of the representations and warranties, covenants or agreements of Seller or Buyer, which breach is not cured within 30 days after notice to cure such breach is given to the breaching party by the non-breaching party, then the non-breaching party may terminate and cancel this Agreement by providing written notice of such action to the other party.

Section 8.03. Approval Denial. If any regulatory application filed pursuant to Section 6.01 hereof should be finally denied or disapproved by the respective regulatory authority, then this Agreement thereupon shall be deemed terminated and canceled; provided, however, that a request for additional information from, or undertakings by, the applicant, as a condition for approval, shall not be deemed to be a denial or disapproval so long as the applicant diligently provides the requested information or agrees to the requested undertaking. If any regulatory agency requests that an application be withdrawn and the applicant, in consultation with the other party to this Agreement, is unable to resolve the concern or objections of such agency, the applicant shall be deemed to have failed to obtain regulatory approval. In the event an application is denied but is subject to an appeal, petition for review, or similar such act on the part of the applicant (hereinafter referred to as the "appeal") then the application will be deemed denied unless the applicant and the other party to this Agreement agree in writing to appeal the denial and the applicant prepares and timely files such appeal and continues the appellate process for purposes of obtaining the necessary approval, provided, however, that either party shall have the right, at its election, to terminate this Agreement if such appeal remains unresolved for a period exceeding 60 days.

Section 8.04. Automatic Termination. If the Closing Date does not occur on or prior to a date within 180 days after the date of the Agreement, then this Agreement shall thereupon be terminated; provided, such 180-day period may be extended by Buyer and Seller by mutual written agreement on or prior to the date this agreement would otherwise terminate.

Section 8.05. Termination as to Branch Office. In the event Buyer exercises its rights under this Agreement to terminate this Agreement as to the Frankfort or Elizabethtown Branch Office (referred to herein as an "Excluded Branch Office"), this Agreement shall be construed and applied as if all references to the Excluded Branch Office had been stricken from this Agreement.

Article 9.
Transitional and Post-Closing Matters

Section 9.01. Transition. From and after the date of this Agreement, Seller and Buyer agree to fully cooperate with and assist one another in connection with the transition and conversion of all customer accounts, files (including data processing files) and other information which are being purchased and assumed by Buyer pursuant to the terms hereof. In furtherance thereof, Seller and Buyer agree to abide by and implement the Transition and Conversion Plan set forth in **Schedule H**.

(a) Buyer and Seller agree to fully cooperate with and assist one another to develop and thereafter implement a supplemental transition and conversion plan for the Branch-related Credit Card Accounts consistent with **Schedule H**. To the extent such a plan, mutually agreeable to the Buyer and Seller, for the conveyance of the Branch-related Credit Card Accounts at a value equal to their outstanding principal plus accrued interest less the fair value of cashback and reward points earned as of the Closing, and for which Buyer will be responsible after the Closing, is not finalized within sixty (60) days following the date of this Agreement, Buyer or Seller will have the right to exclude from the Loans to be purchased and sold hereunder, in which event the Branch-related Credit Card Accounts will be retained by Seller at the Closing. The parties acknowledge that the holders of the Branch-related Credit Card Accounts are entitled to the benefit of any cashback or reward points outstanding at Closing under the Branch-related Credit Card Accounts.

(b) If the Owensboro Banking Office Lease is excluded from the Assets to be purchased and sold hereunder pursuant to Section 5.04(d) and the Branch Closure Date is to occur after the Closing Date, Buyer and Seller agree to fully cooperate with and assist one another to develop and thereafter implement a supplemental transition plan consistent with **Schedule H** for the operation and closing of the Owensboro Leased Branch in accordance with Section 5.04(d).

Section 9.02. Notification to Branch Office Customers.

(a) Not later than five (5) business days after the date of this Agreement, Buyer and Seller shall mutually agree upon (i) a calendar for all customer notifications to be sent pursuant to and in accordance with this Section and (ii) the mailing file requirements of Buyer in connection with such customer notifications.

- (b) Not later than thirty (30) calendar days nor earlier than one hundred twenty (120) calendar days prior to the Closing Date (except as otherwise required by applicable law):
- (i) Buyer shall, together with Seller, as soon as practicable after the execution and delivery of this Agreement, prepare and mail to each depositor whose Deposit is to be assumed by Buyer, a letter, in form and substance mutually satisfactory to the parties, informing such depositor of the nature of such transaction and the continuing availability of services to be provided by the Buyer in the applicable Branch Office after the Closing Date. The out-of-pocket cost of the mailings required by this subsection (i) shall be borne by Buyer.
 - (ii) Buyer, at its own cost and expense, cause to be printed deposit tickets, checks, withdrawal orders and all other requisite banking transactional forms for each account which constitutes a Deposit and mail such deposit tickets, checks, withdrawal orders and other forms to each customer having such an account so as to be received by such customer on or about the Closing Date, each such document to be encoded with Buyer's identification numbers and to be accompanied by Buyer's letter, in form and substance reasonably satisfactory to Seller, advising that, from and after the Closing Date, such newly issued deposit tickets, checks, withdrawal orders and other forms are to be used instead of the corresponding existing documents of Seller with respect to the customer's Deposit account maintained at the applicable Branch Office, and that any such existing documents of Seller are to be destroyed. The out-of-pocket cost of the mailings required by subsection (b) shall be borne by Buyer.
 - (iii) Buyer and Seller shall take any other actions required by law or regulation or by any court or regulatory authority to notify customers or depositors of the Branch Offices or residents of the communities in which the Branch Offices are located of the transfers and assumptions occurring pursuant to this Agreement. No communications by Buyer, and no communications by Seller outside the ordinary course of business, to any customers or depositors of the Branch Offices as such shall be made prior to the Closing Date except as provided in this Agreement or otherwise agreed to by the parties in writing, not to be unreasonably withheld, conditioned or delayed in the case of communications compliant with applicable law.

- (iv) Following the giving of any notice described in subsections (b)(i) and (b)(ii) above, Buyer and Seller shall deliver to each new customer at any of the Branch Offices such notice or notices as may be reasonably necessary to notify such new customers of Buyer's pending assumption of Deposit accounts and acquisition of Loans and to comply with applicable law.

A party proposing to send or publish any notice or communication pursuant to this Section 9.02(b) shall furnish to the other party a copy of the proposed form of such notice or communication at least five (5) business days in advance of the proposed date of mailing, posting, or other dissemination of such form to customers, and shall not unreasonably refuse to amend such notice to incorporate any changes that the other such party proposes as necessary to comply with applicable law. Seller shall have the right to add customer transition information to any customer notifications to be sent by Buyer pursuant to this Section and such information may, at Seller's option, be included either directly in Buyer's notification or in an additional insert that shall accompany the applicable Buyer notification. Any customer notifications sent by Buyer pursuant to this Section shall only include the last four digits of any account number of Seller or other masking technique mutually agreed upon by the parties. All costs and expenses of any notice or communication sent or published by Buyer or Seller shall be the responsibility of the party sending such notice or communication and all costs and expenses of any joint notice or communication shall be shared equally by Seller and Buyer exclusive of any such mailing as required by Section 9.02 (b)(i). As soon as reasonably practicable after the date hereof, Seller shall provide to Buyer a report of the names and addresses of the owners of the Deposits, the borrowers on the Loans and the lessees of the safe deposit boxes as of a recent date hereof in connection with the mailing of such materials and Seller shall provide updates to such report at reasonable intervals thereafter upon the reasonable request of Buyer from time to time. No communications by Buyer, and no communications by Seller outside the ordinary course of business, to any such owners, borrowers, customers or lessees as such shall be made prior to the Closing Date except as provided in this Agreement or otherwise agreed to by the parties in writing, not to be unreasonably withheld, conditioned or delayed in the case of communications compliant with applicable law.

(c) Following the giving of any notice described in Section 9.02(b), Buyer and Seller shall deliver to each new customer at any of the Branch Offices such notice or notices as may be reasonably necessary to notify such new customers of Buyer's pending assumption of liability for the Deposits and to comply with applicable law.

(d) Neither Buyer nor Seller shall object to the use, by depositors of the Deposits, of payment orders or cashier's checks issued to or ordered by such depositors on or prior to the Closing Date, which payment orders bear the name, or any logo, trademark, service mark or the proprietary mark of Seller.

(e) Buyer shall notify Deposit account customers and Loan account customers that, upon the expiration of a post-Closing processing period, which shall be one hundred eighty (180) calendar days after the Closing Date, any items that are drawn on Seller shall not thereafter be honored by Seller. Such notice shall be given by delivering written instructions to such effect to such Deposit account customers and Loan account customers in accordance with this Section.

Section 9.03. Payment of Instruments. Following the Closing, Buyer agrees to pay in accordance with law all checks, drafts, and withdrawal orders which are properly drawn by depositors with respect to the Deposits assumed by Buyer, which are duly endorsed (or for which necessary endorsements are deemed supplied by applicable law) and otherwise properly payable, in light of credit balances and overdraft privileges, if any, applicable to such depositors, and presented to Buyer by mail, over its counters, or through the check-clearing system of the banking industry, and in all other respects to discharge, in the usual course of the banking business, the duties and obligations of the Seller with respect to the balances due and owing to the depositors whose Deposits are assumed by Buyer.

Section 9.04. Statements. Seller shall issue statements to its customers which include all transactions with respect to the Deposits, and other accounts as mutually agreed to by the parties, through the close of business on the Closing Date, and Buyer shall issue statements for all transactions with respect to the Deposits thereafter.

Section 9.05. Limited Correspondent. Seller shall act as Buyer's limited correspondent for the processing of checks, drafts and withdrawal orders drawn before or after the Closing on the draft, check or withdrawal order forms provided by Seller on Deposits assumed by Buyer hereunder, and Buyer will honor and pay all such checks, drafts and withdrawal orders if duly endorsed and to the extent that the credit balances or overdraft privileges of the drawers or makers permit; provided, that Seller shall present all such checks, drafts and withdrawal orders to the Buyer within one (1) business day after such checks, drafts or withdrawals are received by Seller in X.937 file format, or other format compatible with Buyer's core data processing system, or in another method mutually agreed upon by the parties for ninety (90) calendar days from the Closing Date.

Section 9.06. Uncollected Items. Buyer shall pay to Seller, not later than two (2) business days after demand, the amount of all uncollected items included in the Deposits on the Closing Date which are returned to Seller after the Closing Date as uncollected; provided, that Seller shall, upon Buyer's making such payment, deliver each such item to Buyer and shall assign to Buyer any and all rights which Seller may have or obtain in connection with such returned items.

Section 9.07. Loans and Deposits. For a period of 90 calendar days after the Closing Date, Seller will forward to Buyer as soon as reasonably possible any loan payments received by Seller made with respect to Loans purchased by Buyer. Buyer shall reimburse Seller upon demand for checks returned on payments forwarded by Seller to Buyer. If the balance due on any Loan purchased pursuant to Section 1.01(d) has been reduced by Seller as a result of a payment by check received prior to the Closing Date, which item is returned after the Closing Date, the Acquisition Value represented by the Loan transferred shall be correspondingly increased and an amount in cash equal to such increase shall be paid by Buyer to Seller promptly upon demand.

Section 9.08. Noncompetition/Nonsolicitation.

(a) During the period beginning on the Closing Date and ending on the three year anniversary of the Closing Date (the "Restricted Period"), Seller will not, without Buyer's consent, open a banking, loan production or other office or maintain or establish an automated teller machine or ITM for the purpose of offering or providing banking or related services to the public or otherwise compete with Buyer in the Kentucky county in which the Branch Offices are located (as so defined, collectively, the "Branch Market"). Notwithstanding the foregoing, the following shall not be considered activities prohibited by or a breach of this Section 9.08(a): (i) the offering and providing of nontraditional products by Seller's nontraditional business segment, Republic Processing Group, (ii) non-targeted online marketing of banking or related services to the general public, (iii) the marketing and provision of products and services directly to any customer of the Branch Offices as of the Closing Date who remains a customer of Seller and does not become a customer of Buyer upon the consummation of the transactions contemplated by this Agreement, and (iv) if the Owensboro Banking Office Lease is excluded from the Assets to be purchased and sold hereunder in accordance with this Section 5.04(d) and the Branch Closure Date occurs after the Closing Date, the operation of the Owensboro Leased Branch during the period between the Closing Date and the Branch Closure Date in accordance with Section 5.04(d).

(b) During the Restricted Period, neither Seller nor its affiliates, subsidiaries, successors or assigns (i) will solicit customers whose deposits or loans are assumed or acquired by Buyer hereunder to provide banking services to such customers, or (ii) advertise or market such services through advertisements or marketing efforts primarily directed to or primarily targeting such customers or the Branch Market. Notwithstanding anything in this Agreement to the contrary, the following shall not be considered activities prohibited by or a breach of this Section 9.08(b): (A) solicitations of customers who remain customers of Seller following the Closing by reason of another deposit, loan, trust, credit card, debit card, or other relationship maintained by the customer at another office of Seller except that the foregoing exception shall not permit Seller to solicit deposit liabilities from customers whose Deposit Liabilities have been assumed by Buyer hereunder, (B) any general mass mailing or other similar communication made by Seller which is not mailed to any location inside the Branch Market and does not specifically target customers of the Branch Offices or the Branch Market, and (C) newspaper, television, radio or similar advertisements of a general nature that do not specifically target customers of the Branch Offices or the Branch Market. Buyer acknowledges and agrees that nothing contained herein shall be construed to limit Seller's ability to continue to service, maintain and administer any account of such customers at Seller or to open any new account at a customer's unsolicited request.

(c) During the Restricted Period, Seller shall not seek to employ any employee of Seller at any of the Branch Offices who becomes an employee of Buyer upon consummation of the transactions contemplated by this Agreement unless and until such employee's employment is terminated by Buyer. Provided, however, that if Mason Richardson seeks employment with Seller other than in a Branch Market, Seller may offer him employment outside of the Branch Market.

Section 9.09. Access to Records. Seller and Buyer mutually agree to maintain all records and other documents relating to the Assets and Assumed Liabilities for such periods as provided in Seller and Buyer's respective record retention policies and required by applicable law, and to permit the other party to examine, inspect, copy and reproduce such records and other documents relating to such Assets and Assumed Liabilities as may be reasonably requested by such party at no cost to the other; provided, however, that neither party shall permit the other to inspect any files or records that would be a violation of law. Without limiting the generality of the foregoing, Seller will provide Buyer access to historical check images and access to historical data from its core data processing system for at least 12 months following Closing Date.

Section 9.10. Information Reporting. Unless otherwise mutually agreed upon by the parties, with respect to the Loans and Deposits purchased and assumed by Buyer pursuant to this Agreement, Seller shall be responsible for reporting to the customer and to the Internal Revenue Service (and any state or local taxing authority as required by law) all interest paid or earned by the customer prior to and including the Closing Date, and Buyer shall be responsible for reporting to the customer and to the Internal Revenue Service (and any state or local taxing authority as required by law) all interest paid or earned by the customer after the Closing Date.

Section 9.11. Employment Matters.

(a) Seller will terminate the employment of the Transferred Employees (as hereafter defined) effective as of the Closing Date. Buyer shall use reasonable efforts to determine which additional Employees at the Branch Offices it will be offering employment opportunities on an at-will basis as soon as practicable after the date hereof, and will promptly thereafter notify Seller as to the names of such Employees (such Employees as so identified being referred to as the "Transferred Employees"), as well as the proposed positions or title and proposed compensation arrangements of all Transferred Employees. Thereafter, and at least 30 days prior to the Closing Date, Buyer shall offer employment to each Transferred Employee, which employment shall be effective no earlier than the Closing Date, subject to satisfactory background checks. At the next regularly scheduled payroll date after the Closing Date, Seller shall pay each Transferred Employee who is hired by, and commences work for, Buyer compensation earned through the Closing Date in the ordinary course of business. Buyer shall have no liability or obligation whatsoever to employees of Seller relating to their employment by Seller whether or not they become employees of Buyer, or for any taxes relating thereto provided however Buyer will give the Transferred Employees credit for the amount of unused paid-time-off to which the Transferred Employees would be entitled as of the Closing Date were they to remain employees of Seller.

(b) Each full time employee of Seller who becomes a full time employee of Buyer immediately following the Closing Date (a "Newly Hired Employee") shall receive credit for his or her past service with Seller for purposes of eligibility, vesting and accrual of benefits under all of the employee benefit plans of Buyer that are uniformly provided on a nondiscriminatory basis to the full time employees of Buyer, except (i) there shall be no accrual of benefit under any defined benefit plan of Buyer, and (ii) there shall be no credit during calendar year 2019 for vacation time or sick days prior to the date of employment by Buyer of a Newly Hired Employee. Newly Hired Employees will not be subject to any waiting period under the health and welfare plans of Buyer and Buyer shall use its reasonable best efforts to cause its health insurance carrier to cover any pre-existing condition of a Newly Hired Employee that was covered under Seller's health insurance plan.

(c) Seller shall be solely and entirely responsible:

- (i) for timely giving any required notices to Employees (including any Transferred Employees) under the Worker Adjustment and Retraining Notification Act that may be required as a result of this Agreement; and
- (ii) for timely giving any notice, and for making any extension or continuation of health care coverage to Transferred Employees and to their dependents and former dependents that may be required pursuant to Section 4980B of the Internal Revenue Code and Part 6 of Subtitle B of Title I of the Employee Retirement Income Security Act (“COBRA”) as a result of this Agreement.

(d) At times mutually agreeable to Seller and Buyer, Seller shall take reasonable steps to make the Transferred Employees available for training by Buyer, in the company of Seller designated personnel, as to Buyer’s systems and products, so long as such training does not interfere with Seller’s normal business operations. All costs of such training, including any overtime costs incidental to such training, shall be borne by Buyer.

Section 9.12. Further Assurances. After the Closing, Seller shall execute and deliver to Buyer (or cause to be executed and delivered to Buyer) such additional instruments of conveyance and transfer and take such other and further actions as Buyer may reasonably request more effectively to convey, transfer to and vest in Buyer, and to put Buyer in possession and operating control of, all or any part of the Assets and, in the case of Assets consisting of contracts and rights, if any, which cannot be transferred effectively without the consent of third parties which consent is unobtainable, to use its commercially reasonable best efforts to secure Buyer the benefits thereof. As and to the extent the parties shall have failed to obtain any consent to the assumption of any Assumed Contract, Seller and Buyer shall continue to cooperate with each other and use their commercially reasonable best efforts to obtain from such person or persons the consents or approvals (or effective waivers thereof).

Section 9.13. Damage or Destruction; Insurance.

(a) If any of the Real Property or Personal Property shall be destroyed or materially damaged by fire, wind, water or other casualty prior to the close of business on the Closing Date and shall not have insurance coverage which in the reasonable determination of Buyer is sufficient to repair or replace such Real Property or Personal Property, Buyer shall have the right to terminate this Agreement with regard to the applicable Real Property or Personal Property or to accept the affected Real Property or Personal Property as destroyed or damaged, together with any rights of Seller to receive insurance proceeds with respect to such destroyed or damaged Real Property or Personal Property. In addition, if any damage to or destruction of the Real Property and Personal Property to any Branch Office exceeds 10% of the Acquisition Value of all Real Property and Personal Property attributed to such Branch Office, Buyer shall have the right to terminate this Agreement with regard to such Branch Office.

(b) Not later than sixty (60) calendar days following the Closing Date, Seller shall discontinue all casualty, liability and other insurance coverage maintained with respect to the Branch Offices and the Assets. Buyer shall be solely responsible for all losses and liability claims whatsoever relating to the Branch Offices and the Assets arising with respect to activities which take place following the close of business on the Closing Date.

(c) As of the close of business on the Closing Date, Seller shall discontinue providing any security for persons and property at the Branch Office. Buyer shall be solely responsible and liable for all liabilities and claims arising out of injury or damage to persons, property or assets occurring on or at the Branch Office following the close of business on the Closing Date.

Section 9.14. Future Filings and Recordings. Following the Closing, Buyer shall, at its sole cost and expense, promptly make all filings and recordings with and otherwise take all other actions with respect to all governmental agencies or authorities and recorder's offices required by law or as Buyer may deem necessary or advisable to reflect its purchase of the Assets and assumption of the Assumed Liabilities and to reflect Buyer as the holder of all promissory notes and the secured party with respect to all liens, security interests, mortgages, certificates of title and other loan documents relating to the Loans.

Article 10.
Indemnification

Section 10.01. Indemnification of Buyer. Subject to Section 10.06, Seller hereby agrees to indemnify, defend, and hold harmless Buyer and its officers, directors, employees, agents and other representatives from and against any and all liabilities, penalties, damages, losses, claims, costs, and expenses (including reasonable attorneys' fees and expenses for the defense of any claim which, if proved, would give rise to an obligation of indemnity hereunder, whether or not such claim may be ultimately proved) arising out of or resulting directly or indirectly from (a) any misrepresentation or breach of any representation or warranty by Seller in this Agreement; (b) failure of Seller to fully pay or satisfy or cause to be paid or satisfied any liabilities that are not Assumed Liabilities; (c) breach of any obligations or covenants on the part of Seller under this Agreement; (d) the ownership, operation and conduct of the business of the Branch Offices or Assets on or prior to the Closing Date, including any violation of laws occurring or alleged to have occurred on or prior to the Closing Date; and (e) any Excluded Liabilities.

Section 10.02. Indemnification of Seller. Subject to Section 10.06, Buyer hereby agrees to indemnify, defend, and hold harmless Seller and its officers, directors, employees, agents and other representatives from and against any and all liabilities, penalties, damages, losses, claims, costs, and expenses (including reasonable attorneys' fees and expenses for the defense of any claim which, if proved, would give rise to an obligation of indemnity hereunder, whether or not such claim may be ultimately proved) arising out of or resulting directly or indirectly from (a) any misrepresentation or breach of any representation or warranty by Buyer in this Agreement; (b) failure of Buyer to fully pay or satisfy or cause to be paid or satisfied any of the Assumed Liabilities after the Closing Date; (c) breach of any obligations or covenants on the part of Buyer under this Agreement; and (d) the ownership, operation and conduct of the business of the Branch Offices subsequent to the Closing Date, including any violation of laws occurring or alleged to have occurred subsequent to the Closing Date.

Section 10.03. Responsibility for Defense. Within thirty (30) days after receipt of any notice of a claim made under Section 10.01 or Section 10.02 hereof, but not less than five (5) business days prior to the time the indemnifying party is required to respond to a claim, the indemnifying party will, by giving written notice to the indemnified party, have the right to assume responsibility for the defense of the claim in the name of the indemnified party or otherwise as the indemnifying party may elect; provided that the indemnifying party also acknowledges in writing its responsibility to indemnify the indemnified party with respect to such claim; and provided further that failure of the indemnifying party to exercise its right to assume responsibility for the defense of any claim shall not restrict the ability of the indemnified party from subsequently joining such indemnifying party as a party in any litigation respecting such claim. In such event, the indemnified party shall have the right to defend the claim and shall be automatically deemed to have reserved all of its rights against the indemnifying party, including the right to seek reimbursement for the indemnified party's reasonable attorneys' fees and costs of defense. If an indemnifying party has undertaken responsibility for the defense of a claim, the indemnified party shall nonetheless have the right to participate, at its own expense and with its own counsel, in the defense of a claim and the indemnifying party will consult with the indemnified party from time to time on matters relating to the defense of such claim and will provide such information and assistance as the parties deem reasonably necessary to defend the claim. The indemnifying party will provide the indemnified party with copies of all pleadings and correspondence relating to such claim and will keep the indemnified party apprised of proposed adjustment, compromises and settlements. Notwithstanding anything herein to the contrary, the indemnifying party shall not be entitled to compromise or settle any such action without the prior written consent of the indemnified party, unless the settlement is for payment of money only and without an admission of liability on the part of the indemnified party.

Section 10.04. Payment of Fees and Expenses. If a party shall be entitled under this Article 10 to indemnification for fees and expenses, the indemnified party shall be entitled to current reimbursement thereof by the indemnifying party upon the submission to the indemnifying party of a request for reimbursement setting forth in reasonable detail such fees and expenses to be reimbursed.

Section 10.05. Sole Remedy. Except for the parties' rights to specific performance and injunctive relief, the indemnification rights set forth in this Agreement constitute the parties' sole remedy following Closing for the failure of any warranty or representation contained in this Agreement to be true and correct, or breach of any covenant or agreement in this Agreement, in the absence of actual fraud.

Section 10.06. Limitation. Notwithstanding any other provisions of this Agreement, except in the case of actual fraud by Seller, any claim for indemnification hereunder, other than a claim arising out of a breach of a covenant to be performed after the Closing, must be asserted, if at all, during the period commencing on the Closing Date and ending twenty-four months following the Closing Date, *provided, however*, that the foregoing limitation shall not apply to Buyer's obligations with respect to the Assumed Liabilities or to Seller's obligations with respect to any liabilities not assumed by Buyer hereunder.

Article 11.
General

Section 11.01. Confidential Information. The parties acknowledge the confidential and proprietary nature of the "Information" (as herein described) that has heretofore been exchanged and that will be received from each other hereunder and agree to hold and keep, and to instruct their respective agents, representatives, shareholders, affiliates, employees and consultants to hold and keep, such Information confidential. Such Information will include any and all financial, technical, commercial, marketing, customer or other information concerning the business, operations and affairs of a party and any other nonpublic information of a party that may be provided to the other, irrespective of the form of the communications, by such party's employees or agents in connection with this Agreement and the transactions contemplated hereby. Such Information shall not include information that is or becomes generally available to the public other than as a result of a disclosure by a party or its representatives in violation of this Agreement. The parties agree that the Information will be used solely for the purposes contemplated by this Agreement and that such Information will not be disclosed to any person other than employees and agents of a party who are directly involved in evaluating and/or performing this transaction. The Information shall not be used in any way detrimental to a party, including use directly or indirectly in the conduct of the other party's business or any business or enterprise in which such party may have an interest, now or in the future, and whether or not now in competition with such other party. The parties agree that all Information pertaining to the Branch Offices and the Assets shall be and become, and be treated hereunder as, Information of Buyer from and after the Closing.

Section 11.02. Publicity. Buyer and Seller shall cooperate with each other in the development and distribution of all news releases and other public disclosures concerning this Agreement and the transaction contemplated herein and shall not issue any news release or make any other public disclosure without the prior consent of the other party, unless such is required by law upon the written advice of counsel or is in response to published newspaper or other mass media reports regarding the transaction contemplated hereby, in which latter event the parties shall consult with each other regarding and in advance of such responsive public disclosure.

Section 11.03. Return of Documents. Upon termination of this Agreement without the purchase and assumption transaction contemplated by this Agreement becoming effective, each party (i) shall deliver to the other originals and all copies of all Information made available to such party, and, except as may otherwise be required by law or to protect the interests of either party, (ii) will not retain any copies, extracts or other reproductions in whole or in part of such information, and (iii) will destroy all memoranda, notes and other writings prepared by either party based on the Information.

Section 11.04. Notices. Any notice or other communication shall be in writing and shall be deemed to have been given or made on the date of delivery, in the case of hand delivery, or three (3) business days after deposit in the United States Registered Mail, postage prepaid, or upon receipt if transmitted by email or any other means, addressed (in any case) as follows:

if to Seller:

Republic Bank & Trust Company
601 West Market Street
Louisville, Kentucky 40202
Attention: General Counsel
Facsimile: (502) 498-1052
Email: cames@republicbank.com

With a copy to:

Frost Brown Todd LLC
400 West Market Street, Suite 3200
Louisville Kentucky 40404
Attention: R James Straus
Facsimile: (502) 581-1087
Email: jstraus@fbtlaw.com
Attention: Nancy Presnell
Facsimile: (502) 581-1087
Email: npresnell@fbtlaw.com

(a) if to Buyer:

Limestone Bank, Inc.
2500 Eastpoint Parkway
Louisville Kentucky 40223
Attention: General Counsel
Email: srenner@limestonebank.com

With copy to:

Wyatt, Tarrant & Combs, LLP
500 W. Jefferson Street, Suite 2800
Louisville, Kentucky 40202
Attention: Cynthia W. Young
Facsimile: (502) 589-0309
Email: cyoung@wyattfirm.com

or to such other address as any party may from time to time designate by notice to the others.

Section 11.05. Expenses. Except as otherwise specifically provided herein, Seller and Buyer each shall pay all of their own out-of-pocket expenses incurred in connection with this Agreement, including, without limitation, appraisals, accounting and legal fees, and data processing charges, if any, whether or not the purchase and assumption transaction contemplated by this Agreement is consummated. The cost of the title insurance policy or policies (including the related commitment(s)) described in Section 5.05 hereof shall be paid by Buyer (except as otherwise provided in Section 5.05), and all documentary stamps or similar transfer fees and recording costs with respect to the Real Property, and all sales taxes (if any) with respect to the Personal Property shall be paid by Buyer.

Section 11.06. Liabilities. In the event that this Agreement is terminated pursuant to the provisions of Article 8 hereof, no party hereto shall have any liability to any other party for costs, expenses, damages or otherwise; provided, that, notwithstanding the foregoing, in the event that this Agreement is terminated pursuant to Section 8.02 hereof on account of a willful breach of any of the representations and warranties set forth herein, or any willful or intentional breach of any of the agreements set forth herein, then the non-breaching party shall be entitled to recover its damages from the breaching party.

Section 11.07. Survival of Representations and Warranties; Risk of Loss. The representations, warranties, covenants and conditions set out in this Agreement will survive the Closing, provided that the representations and warranties contained in Article 3 and Article 4 shall not survive beyond twenty-four (24) months after the Closing Date.

Notwithstanding anything contained in this Agreement, the risk of loss, damage or destruction to the Assets to be transferred to Buyer pursuant hereto from fire or other casualty or cause shall be borne by Seller at all times up to the close of business on the Closing Date, and shall be borne by Buyer thereafter.

Section 11.08. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any and all prior discussions, negotiations, undertakings, agreements in principle and other agreements between the parties relating to the subject matter hereof, including, without limitation, that certain Mutual Nondisclosure Agreement between the parties dated April 9, 2019, which is hereby terminated.

Section 11.09. Headings and Captions. The captions of Articles and Sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

Section 11.10. Waiver, Amendment or Modification. The conditions of this Agreement that may be waived may be waived only by written instrument duly executed by the party for which the condition(s) is intended to benefit. The failure of any party at any time or times to require performance of any provision hereof shall in no manner affect the right of such party at a later time to insist upon performance of the same. This Agreement may not be amended or modified except by a written instrument duly executed by the parties hereto.

Section 11.11. Rules of Construction. Unless the context otherwise requires: (a) a term has the meaning assigned to it; (b) "or" is not exclusive; and (c) words in the singular may include the plural and in the plural include the singular.

Section 11.12. Counterparts. This Agreement may be executed in two or more counterparts and delivered by facsimile or other means of electronic communication, each of which shall be deemed an original and all of which shall be deemed one and the same instrument.

Section 11.13. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. There shall be no third-party beneficiaries hereof.

Section 11.14. Governing Law; Assignment. This Agreement shall be governed by the laws of the Commonwealth of Kentucky and applicable federal laws and regulations. Neither this Agreement, nor any of the rights, interests or obligations hereunder, shall be assigned by any of the parties hereto without the prior written consent of the other parties, except that following the Closing a party may assign such rights (but shall retain such obligations) to a successor of substantially all of its business, without the consent of the other party. Buyer shall have the right to assign its right to acquire any Loans representing and comprised of Branch-related Credit Card Accounts, and any Assets specifically pertaining thereto, to a vendor of Buyer.

Section 11.15. Liens; Permitted Exceptions.

(a) The term "Liens" shall mean all mortgages, claims, charges, liens, encumbrances, easements, governmental laws, rules and regulations, limitations, restrictions, commitments and security interests, ordinances, restrictions, requirements, resolutions, laws or orders of any governmental authority.

(b) The term "Permitted Exceptions" shall mean liens for taxes not yet due and payable, and conveyances and, in the case of Real Property, any other exceptions, restrictions, easements, rights of way and encumbrances customarily found with respect to commercial property and which do not materially and adversely affect the value or present use of the Real Property.

Section 11.16. Time of Essence. The parties hereto agree that time is of the essence with respect to the performance of the obligations hereunder.

[signature page and schedules and exhibits follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

SELLER:

REPUBLIC BANK & TRUST COMPANY

By: /s/ Kevin Sipes
Kevin Sipes, Executive Vice President and CFO

BUYER:

LIMESTONE BANK, INC.

By: /s/ John T. Taylor
John T. Taylor, President and Chief Executive Officer

Exhibit 1

ASSIGNMENT AND ASSUMPTION OF DEPOSIT LIABILITIES AGREEMENT

This ASSIGNMENT AND ASSUMPTION OF DEPOSIT LIABILITIES AGREEMENT (this "Assignment and Assumption") is dated this ___ day of _____, 2019, by and between REPUBLIC BANK & TRUST COMPANY, a Kentucky banking corporation ("Seller"), and LIMESTONE BANK, INC., a Kentucky banking corporation ("Buyer"). Capitalized terms not otherwise defined herein shall have the same meaning as specified in the Agreement (as defined below).

WITNESSETH:

WHEREAS, Seller and Buyer have entered into a Branch Purchase and Assumption Agreement, dated as of July 24, 2019 (the "Agreement"), which provides for the assignment by Seller of all of its rights and interest in and to certain deposit accounts related to and maintained at the Branch Offices, and the assumption by Buyer of such deposit accounts, all as set forth in the Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged by Seller and Buyer, effective as of the close of business on the date of this Assignment and Assumption, Seller hereby assigns, transfers and sets over to Buyer all of Seller's rights and interest in and to, and Buyer does hereby assume all of Seller's liabilities and obligations with respect to, all Deposit Liabilities (as such term is defined in the Agreement).

This Assignment and Assumption shall be binding upon and shall inure to the benefit of Seller, Buyer and each of their respective successors and assigns, and shall be subject to the terms and conditions of the Agreement. In the event of a conflict between any of the terms and provisions hereof and the Agreement, the Agreement shall be deemed to control.

This Assignment and Assumption, and the rights and obligations of the parties hereunder, shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky and applicable federal laws and regulations.

This Assignment and Assumption may be executed in any number of counterparts and delivered by facsimile or other means of electronic communication (including by PDF and e-mail), each of which shall be deemed an original and all of which, taken together, shall constitute a single instrument.

[End of Text; Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption to be executed as of the date first written above.

“Seller”:

REPUBLIC BANK & TRUST COMPANY

By:

Steven T. Trager, Chief Executive Officer

“Buyer”:

LIMESTONE BANK, INC.

By:

John T. Taylor, President and Chief Executive Officer

Signature Page to Assignment and Assumption of Deposit Liabilities Agreement

Exhibit 2

ASSIGNMENT AND ASSUMPTION OF CONTRACTS AGREEMENT

This ASSIGNMENT AND ASSUMPTION OF CONTRACTS AGREEMENT (this "Assignment and Assumption") is dated this ___ day of _____, 2019, by and between REPUBLIC BANK & TRUST COMPANY, a Kentucky banking corporation ("Seller"), and LIMESTONE BANK, INC., a Kentucky banking corporation ("Buyer"). Capitalized terms not otherwise defined herein shall have the same meaning as specified in the Agreement (as defined below).

WITNESSETH:

WHEREAS, Seller and Buyer have entered into a Branch Purchase and Assumption Agreement, dated as of July 24, 2019 (the "Agreement"), which provides for the assignment by Seller of all of its rights and interest in and to certain contracts related to and maintained at the Branch Offices, and the assumption by Buyer of such contract liabilities and obligations, all as set forth in the Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged by Seller and Buyer, effective as of the close of business on the date of this Assignment and Assumption, Seller hereby assigns, transfers and sets over to Buyer all of Seller's rights and interest in and to, and Buyer does hereby accept and assume all of Seller's liabilities and obligations arising after the date of this Assignment and Assumption with respect to, the following:

- (a) The Assumed Contracts; and
- (b) All safe deposit contracts and leases for the safe deposit boxes constituting part of the Safe Deposit Box Business.

This Assignment and Assumption shall be binding upon and shall inure to the benefit of Seller, Buyer and each of their respective successors and assigns, and shall be subject to the terms and conditions of the Agreement. In the event of a conflict between any of the terms and provisions hereof and the Agreement, the Agreement shall be deemed to control.

At the reasonable request of Buyer, Seller shall (without additional compensation) execute and deliver, and shall cause to be executed and delivered, such additional instruments of transfer, conveyance, assignment and confirmation, and shall take such actions as Buyer may reasonably deem necessary in order to effectively transfer, convey, assign, and deliver to Buyer all of Seller's right, title and interest in the Assumed Contracts.

This Assignment and Assumption, and the rights and obligations of the parties hereunder, shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky and applicable federal laws and regulations.

This Assignment and Assumption may be executed in any number of counterparts and delivered by facsimile or other means of electronic transmission (including by PDF and e-mail), each of which shall be deemed an original and all of which, taken together, shall constitute a single instrument.

[End of Text; Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption to be executed as of the date first written above.

“Seller”:

REPUBLIC BANK & TRUST COMPANY

By:

Steven T. Trager, Chief Executive Officer

“Buyer”:

LIMESTONE BANK, INC.

By:

John T. Taylor, President and Chief Executive Officer

Signature Page to Assignment and Assumption of Contracts Agreement

Exhibit 3

BILL OF SALE

This BILL OF SALE is dated this ___ day of _____, 2019, by and between REPUBLIC BANK & TRUST COMPANY, a Kentucky banking corporation (“Seller”), and LIMESTONE BANK, INC., a Kentucky banking corporation (“Buyer”). Capitalized terms not otherwise defined herein shall have the same meaning as specified in the Agreement (as defined below).

WITNESSETH:

WHEREAS, Seller and Buyer have entered into a Branch Purchase and Assumption Agreement, dated as of July 24, 2019 (the “Agreement”), which provides for the sale by Seller to Buyer of certain assets and liabilities related to the Branch Offices, all as set forth in the Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, effective as of the close of business on the date of this Bill of Sale, Seller does hereby grant, bargain, sell, assign, set over, convey and transfer to Buyer all of its right, title and interest in and to the following assets (the “Assets”):

- (a) the Loans, as further described and modified in Section 1.01(d) of the Agreement, which assignment is being made without recourse against Seller and without any warranties or representations as to their collectability or the creditworthiness of any of the obligors of such Loans;
- (b) all of Seller’s Safe Deposit Box Business;
- (c) the Real Property;
- (d) the Personal Property;
- (e) the Assumed Contracts;
- (f) all of Seller’s Cash on Hand; and
- (g) all of Seller’s Records.

This Bill of Sale is executed by Seller and delivered to Buyer pursuant to the Agreement and is subject in all respects to the terms, provisions, conditions, representations and warranties of the Agreement, all of which terms, provisions, conditions, representations, and warranties are incorporated herein by reference. In the event of a conflict between any of the terms and provisions hereof and the Agreement, the Agreement shall be deemed to control. This Bill of Sale is further subject and subordinate to the terms of any individual, specific instruments of conveyance, assignment or transfer as to any particular Assets, rights, benefits or privileges executed by Seller and delivered to Buyer in connection with the consummation of the transaction contemplated by the Agreement.

Buyer hereby accepts delivery of the Assets and does hereby assume and agree to pay and discharge all of Seller's liabilities and obligations under the Loans arising after the date hereof.

This Bill of Sale shall be binding upon and shall inure to the benefit of Seller, Buyer and each of their respective successors and assigns, and shall be subject to the terms and conditions of the Agreement.

This Bill of Sale, and the rights and obligations of the parties hereunder, shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky and applicable federal laws and regulations.

This Bill of Sale may be executed in counterparts and delivered by facsimile or other means of electronic communication (including by PDF and e-mail), each of which shall be deemed an original and all of which shall be deemed one and the same instrument.

[End of Text; Signature Page Follows]

IN WITNESS WHEREOF, Seller and Buyer have caused this Bill of Sale to be duly executed as of the date first written above.

"Seller":

REPUBLIC BANK & TRUST COMPANY

By:

Steven T. Trager, Chief Executive Officer

"Buyer":

LIMESTONE BANK, INC.

By:

John T. Taylor, President and Chief Executive Officer

Signature Page to Bill of Sale

Exhibit 4

ASSIGNMENT, TRANSFER AND APPOINTMENT OF SUCCESSOR TRUSTEE FOR IRA ACCOUNTS

This ASSIGNMENT, TRANSFER AND APPOINTMENT OF SUCCESSOR TRUSTEE FOR IRA ACCOUNTS (this "Assignment, Transfer and Appointment") is dated this ___ day of _____, 2019, by and between REPUBLIC BANK & TRUST COMPANY, a Kentucky banking corporation ("Seller"), and LIMESTONE BANK, INC., a Kentucky banking corporation ("Buyer"). Capitalized terms not otherwise defined herein shall have the same meaning as specified in the Agreement (as defined below).

WITNESSETH:

WHEREAS, Seller and Buyer have entered into a certain Branch Purchase and Assumption Agreement, dated as of July 24, 2019 (the "Agreement"), whereby Buyer has agreed to purchase and assume from Seller, and Seller has agreed to sell and assign to Buyer, certain assets and liabilities related to the Branch Offices; and

WHEREAS, the Agreement provides for Seller to resign from its position as trustee and custodian with respect to any IRA Deposits which includes as one or more of its assets a Deposit being transferred to Buyer pursuant to the Agreement, provide notice to depositors of its resignation and to cooperate with Buyer in taking any action reasonably necessary to accomplish either the appointment of Buyer as successor custodian or the delegation to Buyer of Seller's authority and responsibility as trustee and custodian of all IRA Accounts, all as set forth in the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged by Seller and Buyer, effective as of the close of business on the date of this Assignment, Transfer and Appointment, Seller and Buyer hereby take the following actions:

(a) Seller hereby resigns as trustee and custodian with respect to each IRA Account associated with the Branch Offices which includes as one or more of its assets a Deposit being transferred to Buyer pursuant to the Agreement, as to which Seller is a trustee or custodian, and hereby agrees to use reasonable best efforts and will cooperate with Buyer in taking any action reasonably necessary to accomplish either the appointment of Buyer as successor custodian or the delegation to Buyer of Seller's authority and responsibility as custodian of all IRA Accounts, including sending to the depositors thereof appropriate notices (including notice of Seller's resignation), cooperating with Buyer in soliciting consents from such depositors, and filing any appropriate applications with applicable regulatory authorities; and

(b) Buyer, if so designated or appointed as successor trustee or custodian under an IRA Account, hereby accepts such appointment and assumes and agrees to perform the obligations required to be performed by it as trustee and custodian with respect to each such IRA Account, as further specified in the Agreement.

This Assignment, Transfer and Appointment shall be binding upon and shall inure to the benefit of Seller, Buyer and each of their respective successors and assigns, and shall be subject to the terms and conditions of the Agreement. In the event of a conflict between any of the terms and provisions hereof and the Agreement, the Agreement shall be deemed to control.

This Assignment, Transfer and Appointment, and the rights and obligations of the parties hereunder, shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky and applicable federal laws and regulations.

This Assignment, Transfer and Appointment may be executed in any number of counterparts and delivered by facsimile or other means of electronic communication (including by PDF and e-mail), each of which shall be deemed an original and all of which, taken together, shall constitute a single instrument.

[End of Text; Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment, Transfer and Appointment to be executed as of the date first written above.

"Seller":

REPUBLIC BANK & TRUST COMPANY

By:

Steven T. Trager, Chief Executive Officer

"Buyer":

LIMESTONE BANK, INC.

By:

John T. Taylor, President and Chief Executive Officer

Signature Page to Assignment, Transfer and Appointment of Successor Trustee for IRA Accounts

Exhibit 5

ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT (this "Assignment and Assumption") is executed as of this __ day of _____, 2019 by and between REPUBLIC BANK & TRUST COMPANY, a Kentucky banking corporation ("Assignor"), and LIMESTONE BANK, INC., a Kentucky banking corporation ("Assignee").

WITNESSETH:

WHEREAS, Assignor holds a leasehold interest in certain property located at _____, pursuant to the terms and conditions of that certain Lease Agreement, dated _____, between _____ ("Landlord") and Assignor, a copy of which is attached hereto as Exhibit A (the "Lease"); and

WHEREAS, Assignor and Assignee have entered into that certain Branch Purchase and Assumption Agreement, dated as of July 24, 2019 (the "Agreement"), which contemplates Assignor selling, conveying, assigning and transferring to Assignee certain of its assets, including but not limited to the Lease and Assignor's interest in the Premises (as defined in the Lease).

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, effective as of the close of business on the date of this Assignment and Assumption, Assignor hereby transfers and assigns to Assignee any and all right, title and interest of Assignor, as tenant or otherwise, in, to and under the Lease. By executing this Assignment and Assumption, Assignee hereby accepts, agrees to perform and assumes all of the obligations, terms, covenants and conditions of the Lease on the part of the tenant or lessee therein required to be performed, from and after the date of this Assignment and Assumption.

This Assignment and Assumption shall be binding upon and shall inure to the benefit of Assignor, Assignee and each of their respective successors and assigns, and shall be subject to the terms and conditions of the Agreement. In the event of a conflict between any of the terms and conditions hereof and the Agreement, the Agreement shall be deemed to control.

This Assignment and Assumption, and the rights and obligations of the parties hereunder, shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky and applicable federal laws and regulations.

This Assignment and Assumption may be executed in any number of counterparts and by facsimile, each of which shall be deemed an original and all of which, taken together, shall constitute a single instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption to be executed as of the date first written above.

“Assignor”:

REPUBLIC BANK & TRUST COMPANY

By: _____
Steven T. Trager, Chief Executive Officer

COMMONWEALTH OF KENTUCKY)
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019, by Steven T. Trager as Chief Executive Officer of Republic Bank & Trust Company, a Kentucky banking corporation, on behalf of the bank.

My commission expires: _____

Notary Public

“Assignee”:

LIMESTONE BANK, INC.

By: _____
John T. Taylor, President and Chief Executive Officer

COMMONWEALTH OF KENTUCKY)
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me this __ day of _____, 2019, by John T. Taylor as President and Chief Executive Officer of Limestone Bank, Inc., a national banking association, on behalf of the bank.

My commission expires: _____

Notary Public

Signature Page to Assignment and Assumption of Lease

Exhibit A
Copy of Lease

Attached.

CONSENT AND ESTOPPEL CERTIFICATE

Reference is hereby made to that certain Lease Agreement, dated _____, between _____ (“Landlord”) an Republic Bank & Trust Company (“Tenant”), pursuant to which Tenant leased certain real property located at _____, and more particularly described in the Lease (“Leased Premises”). It is our understanding that Tenant shall transfer and assign to Limestone Bank, Inc., a banking corporation (“Assignee”), all of Tenant’s rights and interests as tenant under the Lease and that Assignee shall assume and covenant to and with the Landlord to perform all of the obligations of the tenant under the Lease arising from and after the effective date of the transfer and assignment (the “Assignment”), a copy of which has been provided to Landlord. In connection with the Assignment, Assignee has requested this certification by Landlord, upon which Assignee and Tenant (collectively, “Relying Parties”) will be entitled to rely in connection with the Assignment.

Landlord hereby confirms and certifies to the Relying Parties as follows:

1. Pursuant to the Lease, Landlord has leased the Leased Premises to Tenant.
 2. A true and correct copy of the Lease is attached hereto as Exhibit A to the Assignment and said Lease constitutes the entire agreement of Landlord and Tenant with respect to the subject matter thereof. The Lease has not been amended, supplemented or otherwise modified in any respect, other than pursuant to any amendments, supplements or modifications to the Lease attached to and made a part of Exhibit A to the Assignment.
 3. The Lease is in full force and effect and creates a valid leasehold estate in and to the Leased Premises in favor of Tenant in accordance with the terms of the Lease.
 4. The term of the Lease expires on _____, and, subject to the terms and conditions set forth in the Lease, Tenant has the option to renew the Lease _____.
 5. The annual base rent under the Lease for the current year is \$_____. Base rent under the Lease has been paid by Tenant through the month ending _____. All rentals and other amounts due and payable under the Lease up to and through the date hereof have been paid in full and no such rentals and other amounts have been paid for more than thirty (30) days in advance.
 6. Tenant has paid a security deposit under the Lease of \$_____.
 7. To the knowledge of the Landlord, there is no currently existing default or breach under the Lease on the part of Tenant nor is there currently existing any condition or circumstance which, with the giving of notice or the passage of time, or both, would constitute a default or breach under the Lease on the part of Tenant.
 8. All conditions to be performed by Tenant under the Lease have been performed.
-

9. Landlord has not received any notice that Tenant or the Leased Premises is in violation of any applicable federal, state or local statute, law, ordinance, regulation, rule, order or requirement.

10. Landlord knows of no material defects in the condition of the Leased Premises.

11. Landlord hereby consents to the Assignment in accordance with Section __ of the Lease and agrees the Assignment will not constitute a default under the Lease or result in the termination of the Lease or any renewal option thereunder.

WITNESS the signature of Landlord as of this _____ day of _____, 2019.

[LANDLORD]

By: _____

Title: _____

Exhibit 6

LIMITED POWER OF ATTORNEY

THIS LIMITED POWER OF ATTORNEY is dated this ___ day of _____, 2019, by REPUBLIC BANK & TRUST COMPANY, a Kentucky banking corporation ("Seller"), to be effective as of the close of business on the date hereof.

WITNESSETH:

WHEREAS, Seller and LIMESTONE BANK, INC., a Kentucky banking corporation ("Buyer"), entered into a Branch Purchase and Assumption Agreement, dated as of July 24, 2019 (the "Agreement"), which provides for the sale by Seller to Buyer of certain personal property; and

WHEREAS, in the Agreement or in a Bill of Sale of even date herewith (the "Bill of Sale"), Seller has agreed, from time to time, at the request of Buyer, to execute, acknowledge and deliver to Buyer any and all instruments, documents, endorsements, assignments, information, materials and other papers that may be reasonably required to (i) transfer to Buyer certain Assets (as defined in the Bill of Sale) being acquired by Buyer pursuant to the Agreement, including loans and the collateral therefor to the extent of Seller's interest in such collateral and files relating to such loans, (ii) enable Buyer to bill, collect, service and administer the loans transferred thereby and (iii) give full force and effect to the intent and purposes of the Bill of Sale.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Seller hereby appoints and authorizes for a period of one (1) year from the date hereof, any authorized officer of Buyer holding the status of vice president or greater as its attorney-in-fact solely for the purpose of endorsing, without recourse, and recording, pursuant to the Bill of Sale and/or the Agreement, any and all instruments, documents, endorsements, assignments, information, materials, and any other papers including, but not limited to, certificates of title for vehicles and similar documents (collectively, the "Collateral Instruments"), provided such limited power of attorney is not intended to and does not convey to Buyer any right to endorse or record any Collateral Instruments relating to collateral other than collateral transferred pursuant to the Bill of Sale as described in the preceding paragraph.

[End of Text; Signature Page Follows]

IN WITNESS WHEREOF, Seller has caused this Limited Power of Attorney to be duly executed on _____, 2019.

"Seller":

REPUBLIC BANK & TRUST COMPANY

By:

Steven T. Trager, Chief Executive Officer

COMMONWEALTH OF KENTUCKY)
COUNTY OF JEFFERSON)

The foregoing Limited Power of Attorney was acknowledged before me this the __ day of _____, 2019, by Steven T. Trager, to me personally known, as the Chief Executive Officer of Republic Bank & Trust Company, a Kentucky banking corporation, and that said Limited Power of Attorney was signed on behalf of said bank by proper authority and the Limited Power of Attorney was the act of said bank for the purposes stated above.

My commission expires: _____

Notary Public

Signature Page to Limited Power of Attorney

Exhibit 3.13

Employees

[List of all employees of Seller at the Branch Offices to be attached.]

[Exhibit and Schedules Omitted]

[\(Back To Top\)](#)

Section 3: EX-4.1 (EXHIBIT 4.1)

Exhibit 4.1

LIMESTONE BANCORP, INC.

As Issuer,

and

WILMINGTON TRUST, NATIONAL ASSOCIATION

As Trustee

INDENTURE

Dated as of July 23, 2019

5.75% Fixed-to-Floating Rate Subordinated Notes due 2029

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CROSS-REFERENCE TABLE

Trust Indenture Act Section	Indenture Section
§310 (a)(1)	5.08
(a)(2)	5.08
(a)(3)	Not applicable
(a)(4)	Not applicable
(a)(5)	5.08
(b)	5.08, 5.09
§311 (a)	5.05
(b)	5.05
§312 (a)	6.01
(b)	6.02
(c)	6.02
§313 (a)	6.03
(b)(1)	6.03
(b)(2)	6.03
(c)	6.03
(d)	6.03
§314 (a)	6.04
(a)(4)	9.08
(b)	Not applicable
(c)(1)	1.02
(c)(2)	1.02
(c)(3)	Not applicable
(d)	Not applicable
(e)	1.02
(f)	Not applicable
§315 (a)	5.01, 5.02
(b)	5.03
(c)	5.01
(d)	5.01, 5.02
(e)	4.13
§316 (a)	4.11, 4.12
(b)	4.07
(c)	1.04
§317 (a)(1)	4.02
(a)(2)	4.03
(b)	9.03
§318 (a)	1.07
(b)	1.07
(c)	1.07

Note: This Cross-Reference table will not, for any purpose, be deemed part of this Indenture.

This INDENTURE dated as of July 23, 2019 is between Limestone Bancorp, Inc., a Kentucky corporation (the “Company”), and Wilmington Trust, National Association, a national banking association duly organized and existing under the laws of the United States of America, as trustee (the “Trustee”).

RECITALS

WHEREAS, the Company has duly authorized the execution and delivery of this Indenture to provide for an issue of \$17 million in aggregate principal amount of 5.75% Fixed-to-Floating Rate Subordinated Notes due 2029, subject to the terms and conditions set forth in this Indenture.

NOW, THEREFORE, in order to declare the terms and conditions upon which the Subordinated Notes are authenticated, issued and delivered, and in consideration of the premises, and of the purchase and acceptance of the Subordinated Notes by the Holders thereof, the Company and the Trustee agree as follows for the benefit of each other and for the benefit of the respective Holders from time to time of the Subordinated Notes.

ARTICLE I
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01 Definitions.

Except as otherwise expressly provided in this Indenture or unless the context otherwise requires, the terms defined in this Section for all purposes of this Indenture, any Company Order, any Board Resolution, and any indenture supplemental hereto will have the respective meanings specified in this Section.

“Act,” when used with respect to any Holders, is defined in Section 1.04.

“Affiliate” means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control,” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Applicable Procedures” means, with respect to any transfer or exchange of or for beneficial interests in any Global Subordinated Note, the rules and procedures of the Depository that apply to such transfer or exchange.

“Authenticating Agent” means any Person authorized by the Trustee in accordance with Section 5.12 to act on behalf of the Trustee to authenticate Subordinated Notes.

“Authorized Officer” means each of the Chairman of the Board, the Chief Executive Officer, the President, any Executive Vice President and the Chief Financial Officer of the Company.

“Bankruptcy Laws” mean Title 11, United States Code (11 U.S.C. §§101 et seq.) or any similar federal or state law for the relief of debtors.

“Board of Directors” means, as to any Person, the board of directors, or similar governing body, of such Person or any duly authorized committee thereof.

“Board Resolution” means one or more resolutions, certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, delivered to the Trustee.

“Business Day” when used with respect to any Place of Payment, means any day other than a Saturday; or Sunday that is neither a legal holiday nor a day on which banking institutions in the Place of Payment are authorized or obligated by law, regulation or executive order to close; provided, however, that in the case of any Floating Rate Interest Payment Date, such day is also a London Banking Day.

“Calculation Agent” means Wilmington Trust, National Association, or any other successor appointed by the Company, acting as calculation agent. The Company may appoint itself, or any of its affiliates, as the Calculation Agent.

“Commission” means the U.S. Securities and Exchange Commission, as from time to time constituted, or, if at any time after the execution of this Indenture such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

“Company” is defined in the preamble to this Indenture.

“Company Request” and “Company Order” mean, respectively, a written request or order, as the case may be, signed on behalf of the Company by an Authorized Officer and delivered to the Trustee.

“Corporate Trust Office” means the address of the corporate trust office of the Trustee at which at any particular time this Indenture shall be administered, which office, at the date of the execution of this Indenture is specified in Section 1.05 or such other address as the Trustee may designate from time to time by notice to the Holders of the Notes and the Company, or the designated address of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the Holders of the Notes and the Company).

“Covenant Defeasance” is defined in Section 3.02(3).

“Defaulted Interest” is defined in Section 2.09.

“Definitive Subordinated Notes” means, individually and collectively, each Subordinated Note, substantially in the form of Exhibit A-1 hereto, issued under this Indenture.

“Depository” means, with respect to any Subordinated Note issuable or issued in whole or in part in global form, the Person designated as depository by the Company in accordance with this Indenture, and any and all successors thereto appointed as Depository under this Indenture. The initial Depository shall be The Depository Trust Company.

“Designated LIBOR Page” means the display on Bloomberg Page BBAM1 (or any successor or substitute page of such service, or any successor to such service selected by the Company), for the purpose of displaying the London interbank rates for U.S. dollar deposits of major banks.

“Dollars” or “\$” means a dollar or other equivalent unit of legal tender for payment of public or private debts in the United States.

“Event of Default” is defined in Section 4.01.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, or any successor statute thereto.

“Federal Reserve Board” means the Board of Governors of the Federal Reserve System or any successor regulatory authority with jurisdiction over bank holding companies.

“Fixed Interest Payment Date” means January 31 and July 31 of each year, beginning January 31, 2020 and ending on July 31, 2024.

“Fixed Interest Record Date” means, with respect to each Fixed Rate Interest Payment Date, the close of business on the January 15 or July 15 (whether or not a Business Day) immediately preceding such Fixed Rate Interest Payment Date.

“Floating Interest Payment Date” means the close of business on the January 31, April 30, July 31 and October 31 of each year (whether or not a Business Day), beginning October 31, 2024.

“Floating Interest Record Date” means, with respect to each Floating Rate Interest Payment Date, the close of business on the January 15, April 15, July 15 and October 15 (whether or not a Business Day) immediately preceding such Floating Rate Interest Payment Date.

“GAAP” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, the statements and pronouncements of the Financial Accounting Standards Board and such other statements by such other entities (including the Commission) as have been accepted by a significant segment of the accounting profession, which are applicable at the date of this Indenture.

“Global Subordinated Notes” means, individually and collectively, each Global Subordinated Note, substantially in the form of Exhibit A-2 hereto, issued under this Indenture.

“Government Obligations” means securities which are direct obligations of the United States of America in each case where the payment or payments thereunder are supported by the full faith and credit of the United States of America.

“Holder” means the Person in whose name the Subordinated Note is registered in the Subordinated Note Register.

“Indenture” means this Indenture, as amended and supplemented from time to time in accordance with its terms.

“Interest Payment Date” means either a Fixed Interest Payment Date or a Floating Interest Payment Date, as applicable.

“Interest Period” means each three-month period beginning on July 31, 2024.

“Investment Company Event” means the receipt by the Company of a legal opinion from counsel experienced in such matters to the effect that there is more than an insubstantial risk that the Company is or, within 90 days of the date of such legal opinion will be, considered an “investment company” that is required to be registered under the Investment Company Act of 1940, as amended.

“Legal Defeasance” is defined in Section 3.02(2).

“LIBOR Determination Date” means the second London Banking Day immediately preceding the first day of the relevant Interest Period.

“London Banking Day” means any day on which commercial banks are open for business (including dealings in deposits in U.S. dollars) in London, England.

“Maturity” means the date on which the principal of a Subordinated Note or an installment of principal becomes due and payable as provided in or under this Indenture or such Subordinated Note, whether at the Stated Maturity or by an acceleration of the maturity of such Subordinated Note in accordance with the terms of such Subordinated Note, upon redemption at the option of the Company, upon repurchase or repayment or otherwise, and includes a Redemption Date for such Subordinated Note and a date fixed for the repurchase or repayment of such Subordinated Note at the option of the Holder.

“Notes” means the \$17 million in aggregate principal amount of the Company’s 5.75% Fixed-to-Floating Rate Subordinated Notes due 2029 issued under this Indenture on the date hereof.

“Officer” means, with respect to any Person, the chairman of the board, vice chairman of the board, the chief executive officer, the president, the chief operating officer, the chief financial officer, the treasurer, any assistant treasurer, the controller, the secretary or any vice president of such Person.

“Officers’ Certificate” means a certificate signed on behalf of the Company by two Officers of the Company, one of whom must be the principal executive officer, the principal financial officer or the principal accounting officer of the Company, that complies with the requirements of Section 1.02 and is delivered to the Trustee.

“Opinion of Counsel” means a written opinion from legal counsel, which opinion meets the requirements of Section 1.02. The counsel may be counsel to the Company or any Subsidiary of the Company.

“Outstanding,” when used with respect to any Subordinated Notes, means, as of the date of determination, all such Subordinated Notes theretofore authenticated and delivered under this Indenture, except (1) any such Subordinated Note theretofore cancelled by the Trustee or the Registrar or delivered to the Trustee or the Registrar for cancellation; (2) any such Subordinated Note for whose payment at the Maturity thereof money in the necessary amount has been theretofore deposited in accordance with this Indenture (other than in accordance with Section 3.02) with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company will act as its own Paying Agent) for the Holders of such Subordinated Notes, provided that, if such Subordinated Notes are to be redeemed, notice of such redemption has been duly given in accordance with this Indenture or provision therefor satisfactory to the Trustee has been made; (3) any such Subordinated Note with respect to which the Company has effected Legal Defeasance or Covenant Defeasance in accordance with Section 3.02, except to the extent provided in Section 3.02; and (4) any such Subordinated Note that has been paid in accordance with Section 2.08 or in exchange for or in lieu of which other Subordinated Notes have been authenticated and delivered under this Indenture, unless there will have been presented to the Trustee proof satisfactory to the Trustee that such Subordinated Note is held by a bona fide purchaser in whose hands such Subordinated Note is a valid obligation of the Company; *provided, however*, in all cases, that in determining whether the Holders of the requisite principal amount of Outstanding Subordinated Notes have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Subordinated Notes owned by the Company or any Affiliate of the Company will be disregarded and deemed not to be Outstanding. Subordinated Notes so owned that will have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Subordinated Notes and that the pledgee is not the Company or an Affiliate of the Company.

“Paying Agent” is defined in Section 2.06.

“Person” mean any individual, corporation, partnership, association, limited liability company, other company, statutory trust, business trust, joint venture, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Place of Payment” with respect to any Subordinated Note, means the place or places where the principal of, or interest on, such Subordinated Note are payable as provided in or under this Indenture or such Subordinated Note.

“Private Placement Legend” means the legend set forth in Section 2.04 of this Indenture to be placed on all Subordinated Notes issued under this Indenture, except where otherwise permitted by the provisions of this Indenture.

“Purchase Agreement” means the Subordinated Note Purchase Agreement concerning the Subordinated Notes, dated July 23, 2019, by and among the Company and the purchasers identified therein.

“Redemption Date” with respect to any Subordinated Note or portion thereof to be redeemed, means the date fixed for such redemption by or under this Indenture or such Subordinated Note.

“Redemption Price” with respect to any Subordinated Note or portion thereof to be redeemed, means the price at which it is to be redeemed as determined by or under this Indenture or such Subordinated Note.

“Registrar” is defined in Section 2.06.

“Responsible Officer” means, when used with respect to the Trustee, any officer within the Corporate Trust Office and any other officer of the Trustee to whom such matter is referred by Trustee because of his knowledge and familiarity with the particular subject, and, in each case, who has direct responsibility for the administration of this Indenture.

“Restricted Definitive Subordinated Note” means a Definitive Subordinated Note bearing, or that is required to bear, the Private Placement Legend.

“Restricted Global Subordinated Note” means a Global Subordinated Note bearing, or that is required to bear, the Private Placement Legend,

“Restricted Subordinated Note” means a Restricted Global Subordinated Note or a Restricted Definitive Subordinated Note.

“Rule 144” means Rule 144 promulgated under the Securities Act.

“Rule 144A” means Rule 144A promulgated under the Securities Act.

“Securities Act” means the Securities Act of 1933, as amended, or any successor statute thereto.

“Senior Indebtedness” means the principal of, and premium, if any, and interest, including interest accruing after the commencement of any bankruptcy proceeding relating to the Company, on, or substantially similar payments the Company makes in respect of the following categories of debt, whether that debt was outstanding on the date of execution of this Indenture or thereafter incurred, created or assumed: (1) all indebtedness of the Company for borrowed money, whether or not evidenced by notes, debentures, bonds, securities or other similar instruments issued under the provisions of any indenture, fiscal agency agreement, debenture or note purchase agreement or other agreement, including any senior debt securities that may be offered; (2) indebtedness of the Company for money borrowed or represented by purchase money obligations, as defined below; (3) the Company’s obligations as lessee under leases of property whether made as part of a sale and leaseback transaction to which it is a party or otherwise; (4) reimbursement and other obligations relating to letters of credit, bankers’ acceptances and similar obligations and direct credit substitutes; (5) all obligations of the Company in respect of interest rate swap, cap or other agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity contracts and other similar arrangements; (6) all of the Company’s obligations issued or assumed as the deferred purchase price of property or services, but excluding trade accounts payable and accrued liabilities arising in the ordinary course of business; (7) any other obligation of the Company to its general creditors; (8) all obligations of the type referred to in clauses (1) through (7) of other persons for the payment of which the Company is liable contingently or otherwise to pay or advance money as obligor, guarantor, endorser or otherwise; (9) all obligations of the types referred to in clauses (1) through (8) of other persons secured by a lien on any property or asset of the Company; (10) deferrals, renewals or extensions of any of the indebtedness or obligations described above’ and (11) any other obligations of the Company as required by the Federal Reserve under its capital rules applicable to the Company in order for the Subordinated Notes to qualify as Tier 2 Capital.

However, clauses (1) through (11) above exclude: (y) any indebtedness, obligation or liability that is subordinated to indebtedness, obligations or liabilities of the Company to substantially the same extent as or to a greater extent than the Subordinated Notes are subordinated; and (z) the Subordinated Notes and, unless expressly provided in the terms thereof, any indebtedness of the Company to its Subsidiaries.

As used above, the term “purchase money obligations” means indebtedness, obligations evidenced by a note, debenture, bond or other instrument, whether or not secured by a lien or other security interest, issued to evidence the obligation to pay or a guarantee of the payment of, and any deferred obligation for the payment of, the purchase price of property but excluding indebtedness or obligations for which recourse is limited to the property purchased, issued or assumed as all or a part of the consideration for the acquisition of property or services, whether by purchase, merger, consolidation or otherwise, but does not include any trade accounts payable as set forth in clause (6) above.

“Significant Subsidiary” means any Subsidiary of the Company that is a “significant subsidiary” as defined in Rule 1-02 of Regulation S-X promulgated by the Commission (as such rule is in effect on the date of this Indenture).

“Special Record Date” for the payment of any Defaulted Interest on any Subordinated Note means a date fixed in accordance with Section 2.09.

“Stated Maturity” means July 31, 2029.

“Subordinated Note” or “Subordinated Notes” means the Notes and, more particularly, any Subordinated Note authenticated and delivered under this Indenture, including those Subordinated Notes issued or authenticated upon transfer or replacement.

“Subordinated Note Register” is defined in Section 2.06.

“Subordination Provisions” means the provisions contained in Article XI or any provisions with respect to subordination contained in the Subordinated Notes.

“Subsidiary” means a corporation, a partnership, business or statutory trust or a limited liability company, a majority of the outstanding voting equity securities or a majority of the voting membership or partnership interests, as the case may be, of which is owned or controlled, directly or indirectly, by the Company or by one or more other Subsidiaries of the Company. For the purposes of this definition, “voting equity securities” means securities having voting power for the election of directors, managers, managing partners or trustees, as the case may be, whether at all times or only so long as no senior class of stock has voting power by reason of any contingency.

“*Tax Event*” means the receipt by the Company of a legal opinion from counsel experienced in such matters to the effect that there is more than an insubstantial risk that interest paid by the Company on the Subordinated Notes is not, or, within 90 days of the date of such legal opinion, will not be, deductible by the Company, in whole or in part, for United States federal income tax purposes.

“*Three-Month LIBOR*” means, for any Interest Period, the offered rate for deposits in U.S. dollars having a maturity of three months that appears on the Designated LIBOR Page as of 11:00 a.m., London time, on the LIBOR Determination Date related to such Interest Period. If such rate does not appear on such page at such time, then the Calculation Agent will request the principal London office of each of four major reference banks in the London interbank market, selected by the Company for this purpose and whose names and contact information will be provided by the Company to the Calculation Agent, to provide such bank’s offered quotation to prime banks in the London interbank market for deposits in U.S. dollars with a term of three months as of 11:00 a.m., London time, on such Determination Date and in a principal amount equal to an amount for a single transaction in U.S. dollars in the relevant market at the relevant time as determined by the Company and provided to the Calculation Agent (a “Representative Amount”). If at least two such quotations are so provided, Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, the Calculation Agent will request each of three major banks in the City of New York selected by the Company for this purpose and whose names and contact information will be provided by the Company to the Calculation Agent, to provide such bank’s rate for loans in U.S. dollars to leading European banks with a term of three months as of approximately 11:00 a.m., New York City time, on such LIBOR Determination Date and in a Representative Amount. If at least two such rates are so provided, Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two such rates are so provided, then Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be set to equal the Three-Month LIBOR for the immediately preceding Interest Period. All percentages used in or resulting from any calculation of Three-Month LIBOR will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005% rounded up to 0.00001%. Notwithstanding the foregoing, in the event that Three-Month LIBOR as determined in accordance with this definition is less than zero, Three-Month LIBOR for such Interest Period shall be deemed to be zero.

In addition, if the Calculation Agent determines that Three-Month LIBOR is not published on the Designated LIBOR Page, then the Company may determine and provide to the Calculation Agent in writing whether to calculate the relevant interest rate using a substitute or successor base rate that the Company has determined in its sole discretion is most comparable to Three-Month LIBOR or is an industry-accepted substitute or successor base rate, and the Calculation Agent will use that substitute or successor base rate as directed by the Company in writing. If a substitute or successor base rate has been determined in accordance with the foregoing, the Company in its sole discretion may determine what business day convention to use, the definition of business day, the Determination Date to be used and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to Three-Month LIBOR, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate.

“*Tier 2 Capital*” means Tier 2 capital for purposes of capital adequacy regulations of the Federal Reserve Board, as then in effect and applicable to the Company.

“*Tier 2 Capital Event*” means the receipt by the Company of a legal opinion from counsel experienced in such matters to the effect that the Subordinated Notes do not constitute, or within 90 days of the date of such legal opinion will not constitute, Tier 2 Capital (or its then equivalent if the Company were subject to such capital requirement).

“*Trust Indenture Act*” means the Trust Indenture Act of 1939, as amended.

“*Trustee*” means Wilmington Trust, National Association, as trustee, until a successor replaces it in accordance with the provisions of this Indenture and thereafter means the successor serving hereunder.

“*United States*” means the United States of America (including the states thereof and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

Section 1.02 Compliance Certificates and Opinions.

Except as otherwise expressly provided in or under this Indenture, upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company will furnish to the Trustee an Officers’ Certificate stating that, in the opinion of the signers, all conditions precedent (including covenants compliance with which constitutes a condition precedent), if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent (including covenants compliance with which constitutes a condition precedent), if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents or any of them is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Each certificate or opinion with respect to which compliance with a condition provided for in this Indenture (other than an Officers’ Certificate provided under Section 9.08) must comply with the provisions of Section 314(e) of the Trust Indenture Act and must include:

- (1) a statement that the person making such certificate or opinion has read such covenant or condition;
- (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such person, such condition has been satisfied.

Section 1.03 Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care, but without investigation, should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based is erroneous.

Any such certificate or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company unless such counsel knows, or in the exercise of reasonable care, but without investigation, should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture or any Subordinated Note, they may, but need not, be consolidated and form one instrument.

Section 1.04 Acts of Holders.

(1) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by or under this Indenture to be made, given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing. Except as herein otherwise expressly provided, such action will become effective when such instrument or instruments or record or both are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments and any such record (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent, or of the holding by any Person of a Subordinated Note, will be sufficient for any purpose of this Indenture and (subject to Section 5.01) conclusive in favor of the Trustee and the Company and any agent of the Trustee or the Company, if made in the manner provided in this Section.

(2) The fact and date of the execution by any Person of any such instrument or writing may be proved in any reasonable manner that the Trustee deems sufficient and in accordance with such reasonable rules as the Trustee may determine, and the Trustee may in any instance require further proof with respect to any of the matters referred to in this Section.

(3) The ownership, principal amount and serial numbers of Subordinated Notes held by any Person, and the date of the commencement and the date of the termination of holding the same, will be proved by the Subordinated Note Register.

(4) The Company may, in the circumstances permitted by the Trust Indenture Act, set a record date for purposes of determining the identity of Holders entitled to give any request, demand, authorization, direction, notice, consent, waiver or take any other act authorized or permitted to be given or taken by Holders. Unless otherwise specified, if not set by the Company prior to the first solicitation of a Holder made by any Person in respect of any such action, any such record date will be the later of 30 days prior to the first solicitation of such consent or the date of the most recent list of Holders furnished to the Trustee prior to such solicitation. If a record date is fixed, the Holders on such record date, and only such Persons, will be entitled to make, give or take such request, demand, authorization, direction, notice, consent, waiver or other action, whether or not such Holders remain Holders after such record date. No such request, demand, authorization, direction, notice, consent, waiver or other action will be valid or effective if made, given or taken more than 90 days after such record date.

(5) Any effective request, demand, authorization, direction, notice, consent, waiver or other Act by the Holder of any Subordinated Note will bind every future Holder of the same Subordinated Note and the Holder of every Subordinated Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done or suffered to be done by the Trustee, any Registrar, any Paying Agent or the Company in reliance thereon, whether or not notation of such Act is made upon such Subordinated Note.

(6) Without limiting the foregoing, a Holder entitled to take any action hereunder with regard to any particular Note may do so with regard to all or any part of the principal amount of such Note or by one or more duly appointed agents, each of which may do so in accordance with such appointment with regard to all or any part of such principal amount. Any notice given or action taken by a Holder or its agents with regard to different parts of such principal amount in accordance with this paragraph will have the same effect as if given or taken by separate Holders of each such different part.

(7) Without limiting the generality of this Section 1.04, a Holder, including a Depositary that is a Holder of a Global Subordinated Note, may make, give or take, by a proxy or proxies, duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other Act provided in or under this Indenture or the Subordinated Notes to be made, given or taken by Holders, and a Depositary that is a Holder of a Global Subordinated Note may provide its proxy or proxies to the beneficial owners of interests in any such Global Subordinated Note through such Depositary's Applicable Procedures. The Company may fix a record date for the purpose of determining the Persons who are beneficial owners of interests in any Global Subordinated Note entitled under the Applicable Procedures of such Depositary to make, give or take, by a proxy or proxies duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders. If such a record date is fixed, the Holders on such record date or their duly appointed proxy or proxies, and only such Persons, will be entitled to make, give or take such request, demand, authorization, direction, notice, consent, waiver or other action, whether or not such Holders remain Holders after such record date. No such request, demand, authorization, direction, notice, consent, waiver or other action will be valid or effective if made, given or taken more than 90 days after such record date.

Promptly upon any record date being set in accordance with this Section 1.04, the Company, at its own expense, will cause notice of the record date, the proposed action by Holders and the expiration date to be given to the Trustee in writing and the Holders in the manner set forth in Section 1.05.

Section 1.05 Required Notices or Demands.

Any notice or communication by the Company or the Trustee to the other is duly given if in writing and delivered in Person or delivered by registered or certified mail (return receipt requested), facsimile or overnight air courier guaranteeing next day delivery, to the other's address:

If to the Company:

Limestone Bancorp, Inc.
2500 Eastpoint Parkway
Louisville, Kentucky 40202
Attention: Chief Financial Officer

If to the Trustee:

Wilmington Trust, National Association
1100 North Market Street
Wilmington, DE 19890
Attention: Limestone Bancorp, Inc. Administrator

The Company or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

All notices and communications will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if delivered by mail; on the first Business Day after being sent, if sent by facsimile and the sender receives confirmation of successful transmission; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice required or permitted to be given to a Holder under the provisions of this Indenture will be deemed to be properly delivered by being deposited postage prepaid in a post office letter box in the United States addressed to such Holder at the address of such Holder as shown on the Subordinated Note Register. Any report in accordance with Section 313 of the Trust Indenture Act will be transmitted in compliance with subsection (c) therein. If the Company delivers a notice or communication to Holders, the Company will deliver a copy to the Trustee at the same time.

In any case where notice to Holders of Subordinated Notes is delivered by mail, neither the failure to deliver such notice, nor any defect in any notice so delivered, to any particular Holder of a Subordinated Note will affect the sufficiency of such notice with respect to other Holders of Subordinated Notes. Any notice that is delivered in the manner herein provided will be conclusively presumed to have been duly given or provided. In the case by reason of the suspension of regular mail service or by reason of any other cause it will be impracticable to give such notice by mail, then such notification as will be made with the approval of the Trustee will constitute a sufficient notification for every purpose hereunder.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver will be the equivalent of such notice. Waivers of notice by Holders of Subordinated Notes will be filed with the Trustee, but such filing will not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Notwithstanding any other provision herein, where this Indenture provides for notice to any Holder of a Global Subordinated Note, or of an interest therein, such notice will be sufficiently given if given to the Depository for such Global Subordinated Note (or its designee) according to the Applicable Procedures of such Depository prescribed for giving such notice.

Section 1.06 Language of Notices.

Any request, demand, authorization, direction, notice, consent or waiver or other Act required or permitted under this Indenture will be in the English language, except that, if the Company so elects, any published notice may be in an official language of the country of publication.

Section 1.07 Incorporation by Reference of Trust Indenture Act; Conflicts.

Whenever this Indenture refers to a provision of the Trust Indenture Act, the provision is incorporated by reference in and made a part of this Indenture. The Trust Indenture Act term “*obligor*” used in this Indenture means the Company and any successor obligor upon the Subordinated Notes.

All other terms used in this Indenture that are defined by the Trust Indenture Act, defined by Trust Indenture Act reference to another statute or defined by Commission rule under the Trust Indenture Act have the meanings so assigned to them as of the date of this Indenture. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with another provision included in this Indenture that is required to be included in this Indenture by any of Sections 310 to 317, inclusive, of the Trust Indenture Act, such required provision will control. If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by Section 318(c) of the Trust Indenture Act, the duties imposed by Section 318(c) of the Trust Indenture Act will control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the provisions of the Trust Indenture Act will be deemed to apply to this Indenture as so modified or will be excluded, as the case may be.

Section 1.08 Effect of Headings and Table of Contents.

The Article and Section headings in this Indenture and the Table of Contents are for convenience only and will not affect the construction of this Indenture.

Section 1.09 Successors and Assigns.

All the covenants, stipulations, promises and agreements in this Indenture by or on behalf of the Company or the Trustee will bind its respective successors and permitted assigns, whether so expressed or not.

Section 1.10 Severability.

In case any provision in this Indenture or any Subordinated Note will be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not, to the fullest extent permitted by law, in any way be affected or impaired thereby.

Section 1.11 Benefits of Indenture.

Nothing in this Indenture or any Subordinated Note, express or implied, will give to any Person, other than the parties hereto, any Registrar, any Paying Agent and their respective successors hereunder and the Holders of Subordinated Notes, and the holders of Senior Indebtedness, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1.12 Governing Law.

This Indenture and the Subordinated Notes will be deemed to be a contract made under the laws of the State of New York and will be governed by, and construed in accordance with, the laws of the State of New York without giving effect to any laws or principles of conflict of laws that would apply the laws of a different jurisdiction.

Section 1.13 Legal Holidays.

Unless otherwise specified in or under this Indenture or any Subordinated Notes, in any case where any Interest Payment Date, Stated Maturity or Maturity of, or any other day on which a payment is due with respect to, any Subordinated Note will be a day that is not a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or any Subordinated Note other than a provision in any Subordinated Note or in the Board Resolution, Officers' Certificate or supplemental indenture establishing the terms of any Subordinated Note that specifically states that such provision will apply in lieu hereof) payment need not be made at such Place of Payment on such date, but such payment may be made on the next succeeding day that is a Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date, at the Stated Maturity or Maturity or on any such other payment date, as the case may be, and no interest will accrue on the amount payable on such date or at such time for the period from and after such Interest Payment Date, Stated Maturity, Maturity or other payment date, as the case may be, to the next succeeding Business Day,

Section 1.14 Counterparts: Electronic Transmission.

This Indenture may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument. Any facsimile or electronically transmitted copies hereof or signature hereon will, for all purposes, be deemed originals.

Section 1.15 Immunity of Certain Persons.

No recourse under or upon any obligation, covenant or agreement contained in this Indenture, or in any Subordinated Note, or because of any indebtedness evidenced thereby, will be had against any past, present or future shareholder, employee, officer or director, as such, of the Company or Trustee or of any predecessor or successor, either directly or through the Company or Trustee or any predecessor or successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Subordinated Notes by the Holders and as part of the consideration for the issue of the Subordinated Notes.

Section 1.16 Waiver of Jury Trial.

EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS INDENTURE, THE SUBORDINATED NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 1.17 Force Majeure.

In no event will the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee will use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 1.18 USA Patriot Act.

The Trustee hereby notifies the Company that in accordance with the requirements of the USA Patriot Act, it is required to obtain, verify and record information that identifies the Company, which information includes the name and address of the Company and other information that will allow the Trustee to identify the Company in accordance with the USA Patriot Act.

Section 1.19 No Sinking Fund.

The Subordinated Notes are not entitled to the benefit of any sinking fund.

Section 1.20 Rules of Construction.

Unless the context otherwise requires:

- (1) a term has the meaning assigned to it;
- (2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;
- (3) “or” is not exclusive;
- (4) words in the singular include the plural, and in the plural include the singular;
- (5) “including” means including without limitation;
- (6) “will” will be interpreted to express a command;
- (7) provisions apply to successive events and transactions;
- (8) references to sections of, or rules under, the Securities Act will be deemed to include substitute, replacement or successor sections or rules adopted by the Commission from time to time;
- (9) unless the context otherwise requires, any reference to an “Article,” “Section” or “clause” refers to an Article, Section or clause, as the case may be, of this Indenture; and
- (10) the words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not any particular Article, Section, clause or other subdivision.

ARTICLE II
THE SUBORDINATED NOTES

Section 2.01 Forms Generally.

The Subordinated Notes and the Trustee’s certificate of authentication will be substantially in the form of Exhibit A-1 and Exhibit A-2, as applicable, which are a part of this Indenture. The Subordinated Notes may have notations, legends or endorsements required by law, stock exchange rule or usage (provided that any such notation, legend or endorsement is in a form acceptable to the Company). The Company will provide any such notations, legends or endorsements to the Trustee in writing. Each Subordinated Note will be dated the date of its authentication. The terms and provisions contained in the Subordinated Notes will constitute, and are hereby expressly made a part of this Indenture and the Company and the Trustee, by their execution and delivery of this Indenture, agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Subordinated Note irreconcilably conflicts with the express provisions of this Indenture, the provisions of this Indenture will govern and be controlling.

Section 2.02 Definitive Subordinated Notes.

The Notes will each be issued initially in the form of one or more Definitive Subordinated Notes, unless, before the issuance of such Notes, the Company has determined that the Subordinated Notes may be represented by Global Subordinated Notes and has so notified the Trustee, in which event the Notes will be issued in the form of one or more Global Subordinated Notes. Except as provided in Section 2.07, Holders of Definitive Subordinated Notes will not be entitled to transfer Definitive Subordinated Notes in exchange for beneficial interests in Global Subordinated Notes, and owners of beneficial interests in Global Subordinated Notes will not be entitled to receive physical delivery of Definitive Subordinated Notes.

Section 2.03 Global Subordinated Notes.

Each Global Subordinated Note issued under this Indenture will be deposited with the Trustee at its Corporate Trust Office, as custodian for the Depositary, and registered in the name of the Depositary or the nominee thereof, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate principal amount of any Global Subordinated Note may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depositary as hereinafter provided. Any adjustment of the aggregate principal amount of a Global Subordinated Note to reflect the amount of any increase or decrease in the amount of outstanding Subordinated Notes represented thereby will be made by the Trustee in accordance with written instructions given by the Holder thereof as required by Section 2.07 hereof and will be made on the records of the Trustee and the Depositary.

Section 2.04 Restricted Subordinated Notes.

Each Restricted Definitive Subordinated Note and Restricted Global Subordinated Note will bear a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT (A) PURSUANT TO, AND IN ACCORDANCE WITH, A REGISTRATION STATEMENT THAT IS EFFECTIVE UNDER THE SECURITIES ACT AT THE TIME OF SUCH TRANSFER; (B) TO A PERSON THAT YOU REASONABLY BELIEVE TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR TO A PERSON THAT YOU REASONABLY BELIEVE TO BE AN INSTITUTIONAL ACCREDITED INVESTOR AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT; OR (C) UNDER ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (INCLUDING, IF AVAILABLE, THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT).”

The Private Placement Legend set forth above will be removed and a new Subordinated Note of like tenor and principal amount without such Private Placement Legend will be executed by the Company, and upon written request of the Company (together with an Officers' Certificate and an Opinion of Counsel) given at least three Business Days prior to the proposed authentication date, the Trustee will authenticate and deliver such new Subordinated Note to the respective Holder, if legal counsel to the Holder or owner of beneficial interests requesting the removal of such Private Placement Legend deliver to the Trustee, any Registrar and Paying Agent (if a different Person than the Trustee) and the Company an opinion of counsel in compliance with this Indenture and additionally opining that the restrictive legend can be removed in connection with the transfer in accordance with the Securities Act.

Section 2.05 Execution and Authentication.

Subordinated Notes will be executed on behalf of the Company by any Authorized Officer and may (but need not) have the Company's corporate seal or a facsimile thereof reproduced thereon. The signature of an Authorized Officer on the Subordinated Notes may be manual or facsimile. Subordinated Notes bearing the manual or facsimile signatures of individuals who were at the time of execution Authorized Officers of the Company will, to the fullest extent permitted by law, bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Subordinated Notes or did not hold such offices at the date of such Subordinated Notes.

The Trustee or an Authenticating Agent will authenticate and deliver the Notes for original issue in an initial aggregate principal amount of up to \$17,000,000 upon one or more Company Orders and an Opinion of Counsel. The aggregate principal amount of the Outstanding Subordinated Notes to be issued hereunder may be increased at any time hereafter and the series may be reopened for issuances of additional Subordinated Notes upon Company Order without the consent of any Holder. The Subordinated Notes issued on the date hereof shall be part of the same series of Subordinated Notes for all purposes under the Indenture, including with respect to any amendment, waiver, acceleration or other Act of the Holders or upon redemption of the Subordinated Notes. The Subordinated Notes will be issued only in registered form without coupons and in minimum denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof.

The Trustee will not be required to authenticate any Subordinated Notes if the issue of such Subordinated Notes under this Indenture will affect the Trustee's own rights, duties or immunities under the Subordinated Notes and this Indenture or otherwise in a manner that is not reasonably acceptable to the Trustee or if the Trustee, being advised by counsel, determines that such action may not lawfully be taken.

No Subordinated Note will be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Subordinated Note a certificate of authentication substantially in the form provided for herein executed by or on behalf of the Trustee or by the Authenticating Agent by the manual signature of one of its authorized signatories. Such certificate upon any Subordinated Note will be conclusive evidence, and the only evidence, that such Subordinated Note has been duly authenticated and delivered hereunder.

Section 2.06 Registrar and Paying Agent.

The Company will maintain an office or agency where Subordinated Notes may be presented for registration of transfer or for exchange ("Registrar") and an office or agency where Subordinated Notes may be presented for payment ("Paying Agent"). The Registrar will keep a register of the Subordinated Notes ("Subordinated Note Register") and of their transfer or exchange. The registered Holder of a Subordinated Note will be treated as the owner of the Subordinated Note for all purposes. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without prior notice to any Holder; provided that no such removal or replacement will be effective until a successor Paying Agent or Registrar will have been appointed by the Company and will have accepted such appointment. The Company will notify the Trustee in writing of the name and address of any Registrar or Paying Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee will act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

The Company initially appoints the Trustee to act as the Paying Agent and Registrar for the Subordinated Notes and, in the event that any Subordinated Notes are issued in global form, to initially act as custodian with respect to the Global Subordinated Notes. In the event that the Trustee will not be or will cease to be Registrar with respect the Subordinated Notes, it will have the right to examine the Subordinated Note Register at all reasonable times. There will be only one Subordinated Note Register.

Section 2.07 Registration of Transfer and Exchange.

(1) Except as otherwise provided in or under this Indenture, upon surrender for registration of transfer of any Subordinated Note, the Company will execute, and the Trustee will, upon receipt of a Company Order, authenticate and deliver, in the name of the designated transferee or transferees, one or more new Subordinated Notes denominated as authorized in or under this Indenture, of a like aggregate principal amount bearing a number not contemporaneously outstanding and containing identical terms and provisions.

Except as otherwise provided in or under this Indenture, at the option of the Holder, Subordinated Notes may be exchanged for other Subordinated Notes containing identical terms and provisions, in any authorized denominations (minimum denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof), and of a like aggregate principal amount, upon surrender of the Subordinated Notes to be exchanged at any office or agency for such purpose. Whenever any Subordinated Notes are so surrendered for exchange, the Company will execute, and the Trustee will authenticate and deliver, subject to the terms hereof, the Subordinated Notes that the Holder making the exchange is entitled to receive.

All Subordinated Notes issued upon any registration of transfer or exchange of Subordinated Notes will be the valid obligations of the Company evidencing the same debt and entitling the Holders thereof to the same benefits under this Indenture as the Subordinated Notes surrendered upon such registration of transfer or exchange.

Every Subordinated Note presented or surrendered for registration of transfer or for exchange or redemption will (if so required by the Company or the Registrar for such Subordinated Note) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Registrar for such Subordinated Note duly executed by the Holder thereof or his attorney duly authorized in writing.

No service charge will be made for any registration of transfer or exchange of Subordinated Notes, or any redemption or repayment of Subordinated Notes, or any conversion or exchange of Subordinated Notes for other types of securities or property, but the Company may require payment of a sum sufficient to pay all taxes, assessments or other governmental charges that may be imposed in connection with the transfer or exchange of the Subordinated Notes from the Holder requesting such transfer or exchange.

Except as otherwise provided in or under this Indenture, the Company will not be required (i) to issue, register the transfer of or exchange any Subordinated Notes during a period beginning at the opening of business 15 days before the day of the selection for redemption of Subordinated Notes under Section 10.03 and ending at the close of business on the day of such selection, or (ii) to register the transfer of or exchange any Subordinated Note, or portion thereof, so selected for redemption, except in the case of any Subordinated Note to be redeemed in part, the portion thereof not to be redeemed.

Any Registrar (if not the Trustee) appointed in accordance with Section 2.06 hereof will provide to the Trustee such information as the Trustee may reasonably require in connection with the delivery by such Registrar of Subordinated Notes upon transfer or exchange of Subordinated Notes. No Registrar will be required to make registrations of transfer or exchange of Subordinated Notes during any periods designated in the Subordinated Notes or in this Indenture as periods during which such registration of transfers and exchanges need not be made.

The Trustee and the Registrar will have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Subordinated Note (including any transfers between or among Depository participants or beneficial owners of interests in any Global Subordinated Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Neither the Trustee nor any Paying Agent will have any responsibility for any actions taken or not taken by the Depository.

(2) When Definitive Subordinated Notes are presented by a Holder to the Registrar with a request to register the transfer of such Definitive Subordinated Notes or to exchange such Definitive Subordinated Notes for an equal principal amount of Definitive Subordinated Notes of other authorized denominations, the Registrar will register the transfer or make the exchange as requested if its reasonable requirements for such transaction are met; *provided, however*, that the Definitive Subordinated Notes surrendered for transfer or exchange will be duly endorsed or accompanied by a written instrument of transfer in form reasonably satisfactory to the Company and the Registrar, duly executed by the Holder thereof or such Holder's attorney duly authorized in writing.

(3) A Global Subordinated Note may not be transferred except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Subordinated Notes will be exchanged by the Company for Definitive Subordinated Notes if: (i) the Depositary has notified the Company that it is unwilling or unable to continue as Depositary for such Global Subordinated Note or such Depositary has ceased to be a "clearing agency" registered under the Exchange Act, and a successor depositary is not appointed by the Company within 90 days, (ii) the Company determines that the Subordinated Notes are no longer to be represented by Global Subordinated Notes and so notifies the Trustee in writing, or (iii) an Event of Default has occurred and is continuing with respect to the Subordinated Notes and the Depositary or its participant(s) has requested the issuance of Definitive Subordinated Notes.

Any Global Subordinated Note exchanged in accordance with clause (i) or (ii) above will be so exchanged in whole and not in part, and any Global Subordinated Note exchanged in accordance with clause (iii) above may be exchanged in whole or from time to time in part as directed by the Depositary.

Upon the occurrence of any of the preceding events in (i), (ii) or (iii) above, Definitive Subordinated Notes will be issued in fully registered form, without interest coupons, will have an aggregate Principal Amount equal to that of the Global Subordinated Note or portion thereof to be so exchanged, will be registered in such names and be in such authorized denominations as the Depositary will instruct the Trustee in writing and will bear such legends as provided herein. Every Subordinated Note authenticated and delivered in exchange for, or in lieu of, a Global Subordinated Note or any portion thereof, in accordance with this Section 2.07 hereof, will be authenticated and delivered in the form of, and will be, a Global Subordinated Note, except as otherwise provided herein. A Global Subordinated Note may not be exchanged for another Subordinated Note other than as provided in this Section 2.07(3); however, beneficial interests in a Global Subordinated Note may be transferred and exchanged as provided in Section 2.07(4) hereof.

Any Global Subordinated Note to be exchanged in whole will be surrendered by the Depositary to the Trustee. With regard to any Global Subordinated Note to be exchanged in part, either such Global Subordinated Note will be so surrendered for exchange or, if the Trustee is acting as custodian for the Depositary or its nominee with respect to such Global Subordinated Note, the principal amount thereof will be reduced, by an amount equal to the portion thereof to be so exchanged, by means of an appropriate adjustment made on the records of the Trustee. Upon any such surrender or adjustment, the Trustee will authenticate and deliver the Subordinated Note issuable on such exchange to or upon the order of the Depositary or an authorized representative thereof.

(4) The transfer and exchange of beneficial interests in the Global Subordinated Notes will be effected through the Depositary in accordance with the Applicable Procedures and this Section 2.07.

(5) A Definitive Subordinated Note may not be exchanged for a beneficial interest in a Global Subordinated Note unless the Company determines that the Subordinated Notes may be represented by Global Subordinated Notes and so notifies the Trustee. After the Company has determined that the Subordinated Notes may be represented by Global Subordinated Notes and so notifies the Trustee in writing, then upon receipt by the Trustee of a Definitive Subordinated Note, duly endorsed or accompanied by appropriate instruments of transfer, in form satisfactory to the Trustee, together with written instructions from such Holder directing the Trustee to make, or to direct the Registrar to make, an adjustment on its books and records with respect to such Global Subordinated Note to reflect an increase in the aggregate principal amount of the Subordinated Notes represented by the Global Subordinated Note, such instructions to contain information regarding the Depositary account to be credited with such increase, the Trustee will cancel such Definitive Subordinated Note and cause, or direct the Registrar to cause, in accordance with the standing instructions and procedures existing between the Depositary and the Registrar, the aggregate principal amount of Subordinated Notes represented by the Global Subordinated Note to be increased by the aggregate principal amount of the Definitive Subordinated Note to be exchanged, and will credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in the Global Subordinated Note equal to the principal amount of the Definitive Subordinated Note so cancelled. If no Global Subordinated Notes are then outstanding, the Company will issue and the Trustee will authenticate, upon Company Order, a new Global Subordinated Note in the appropriate principal amount.

(6) At such time as all beneficial interests in a particular Global Subordinated Note have been exchanged for Definitive Subordinated Notes or a particular Global Subordinated Note has been repurchased or canceled in whole and not in part, each such Global Subordinated Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Subordinated Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Subordinated Note or for Definitive Subordinated Notes, the principal amount of Subordinated Notes represented by such Global Subordinated Note will be reduced accordingly by adjustments made on the records of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Subordinated Note, such other Global Subordinated Note will be increased accordingly by adjustments made on the records of the Trustee to reflect such increase.

(7) No Restricted Subordinated Note will be transferred or exchanged except in compliance with the Private Placement Legend. In addition to the provisions for transfer and exchange set forth in this Section 2.07, the Trustee, any Registrar and Paying Agent (if a different Person than the Trustee) and the Company may, prior to effecting any requested transfer or exchange of any Restricted Subordinated Notes, require that legal counsel to the Holder or owner of beneficial interests requesting such transfer or exchange deliver to the Trustee, any Registrar and Paying Agent (if a different Person than the Trustee) and the Company, an Opinion of Counsel in compliance with this Indenture and additionally opining that the transfer or exchange is in compliance with the requirements of the Private Placement Legend and that the Subordinated Note issued to the transferee or in exchange for the Restricted Subordinated Note may be issued free of the Private Placement Legend. Any untransferred or unexchanged balance of a Restricted Subordinated Note will be reissued to the Holder with the Private Placement Legend, unless the Private Placement Legend may be omitted in accordance with Section 2.04, as evidenced by the Opinion of Counsel.

Section 2.08 Mutilated, Destroyed, Lost and Stolen Subordinated Notes.

If any mutilated Subordinated Note is surrendered to the Trustee, subject to the provisions of this Section 2.08, the Company will execute and the Trustee will authenticate and deliver in exchange therefor a new Subordinated Note containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding.

If there be delivered to the Company and to the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Subordinated Note, and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Subordinated Note has been acquired by a bona fide purchaser, the Company will execute and, upon the Company's written instruction the Trustee will authenticate and deliver, in exchange for or in lieu of any such destroyed, lost or stolen Subordinated Note, a new Subordinated Note containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding.

Notwithstanding the foregoing provisions of this Section 2.08, in case the outstanding principal balance of any mutilated, destroyed, lost or stolen Subordinated Note has become or is about to become due and payable, or is about to be redeemed by the Company pursuant to Article X hereof, the Company in its discretion may, instead of issuing a new Subordinated Note, pay or redeem such Subordinated Note, as the case may be.

Upon the issuance of any new Subordinated Note under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Subordinated Note issued in accordance with this Section in lieu of any destroyed, lost or stolen Subordinated Note will constitute a separate obligation of the Company, whether or not the destroyed, lost or stolen Subordinated Note will be at any time enforceable by anyone, and will be entitled to all the benefits of this Indenture equally and proportionately with any and all other Subordinated Notes duly issued hereunder.

The provisions of this Section, as amended or supplemented in accordance with this Indenture with respect to particular Subordinated Notes or generally, will (to the extent lawful) be exclusive and will preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Subordinated Notes.

Any interest on any Subordinated Note that will be payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the Person in whose name such Subordinated Note is registered on the Fixed Interest Record Date or Floating Interest Record Date for such Interest Payment Date, as applicable.

Any interest on any Subordinated Note that will be payable, but will not be punctually paid or duly provided for, on any Interest Payment Date for such Subordinated Note (herein called "Defaulted Interest") will cease to be payable to the Holder thereof on the relevant Fixed Interest Record Date or Floating Interest Record Date by virtue of having been such Holder; and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Person in whose name such Subordinated Note will be registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which will be fixed in the following manner:

The Company will notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on such Subordinated Note and the date of the proposed payment, and at the same time the Company will deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or will make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when so deposited to be held in trust for the benefit of the Person entitled to such Defaulted Interest as in this clause provided. Thereupon, the Company will fix or cause to be fixed a Special Record Date for the payment of such Defaulted Interest, which will be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company), will cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be delivered to the Holder of such Subordinated Note at the Holder's address as it appears in the Subordinated Note Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been delivered as aforesaid, such Defaulted Interest will be paid to the Person in whose name such Subordinated Note will be registered at the close of business on such Special Record Date and will no longer be payable under the following clause (2). Notwithstanding the foregoing, any interest which is paid prior to the expiration of the 15-day period set forth in Section 4.01(3) shall be paid to Holders as of the Record Date for the Interest Payment Date for which interest has not been paid.

(2) The Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Subordinated Note may be listed, and upon such notice as may be required by such exchange, if, after written notice given by the Company to the Trustee of the proposed payment under this Clause, such payment will be deemed practicable by the Trustee.

Unless otherwise provided in or under this Indenture or the Subordinated Notes, at the option of the Company, interest on Subordinated Notes that bear interest may be paid by mailing a check to the address of the Person entitled thereto as such address will appear in the Subordinated Note Register or by transfer to an account maintained by the payee with a bank located in the United States.

Subject to the foregoing provisions of this Section and Section 2.07, each Subordinated Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Subordinated Note will carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Subordinated Note.

Section 2.10 Persons Deemed Owners.

Prior to due presentment of a Subordinated Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Subordinated Note is registered in the Subordinated Note Register as the owner of such Subordinated Note for the purpose of receiving payment of principal of, and (subject to Section 2.07 and Section 2.09) interest on, such Subordinated Note and for all other purposes whatsoever, whether or not any payment with respect to such Subordinated Note will be overdue, and neither the Company, the Trustee or any agent of the Company or the Trustee will be affected by notice to the contrary.

No holder of any beneficial interest in any Global Subordinated Note held on its behalf by a Depository will have any rights under this Indenture with respect to such Global Subordinated Note, and such Depository may be treated by the Company, the Trustee, and any agent of the Company or the Trustee as the owner of such Global Subordinated Note for all purposes whatsoever. None of the Company, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Subordinated Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Notwithstanding the foregoing, nothing herein will prevent the Company, the Trustee, any Paying Agent or the Registrar from giving effect to any written certification, proxy or other authorization furnished by the applicable Depository, as a Holder, with respect to a Global Subordinated Note or impair, as between such Depository and the owners of beneficial interests in such Global Subordinated Note, the operation of customary practices governing the exercise of the rights of such Depository (or its nominee) as the Holder of such Global Subordinated Note.

Section 2.11 Cancellation.

All Subordinated Notes surrendered for payment, redemption, registration of transfer or exchange will, if surrendered to any Person other than the Trustee, be delivered to the Trustee, and any such Subordinated Note, as well as Subordinated Notes surrendered directly to the Trustee for any such purpose, will be cancelled promptly by the Trustee. The Company may at any time deliver to the Trustee for cancellation any Subordinated Notes previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Subordinated Notes so delivered will be cancelled promptly by the Trustee. No Subordinated Notes will be authenticated in lieu of or in exchange for any Subordinated Notes cancelled as provided in this Section, except as expressly permitted by or under this Indenture. All cancelled Subordinated Notes held by the Trustee will be disposed of in accordance with its procedure for the disposition of cancelled Subordinated Notes, and the Trustee upon the written request of the Company will deliver to the Company a certificate of such disposition.

Section 2.12 Computation of Interest.

From and including the original issue date of the Subordinated Notes to but excluding July 31, 2024, the rate at which the Subordinated Notes shall bear interest shall be 5.75% per annum, computed on the basis of a 360-day year consisting of twelve 30-day months and payable semiannually in arrears on each Fixed Interest Payment Date. From and including July 31, 2024, to but excluding the Stated Maturity, the rate at which the Subordinated Notes shall bear interest shall be a floating rate equal to Three-Month LIBOR for the applicable Interest Period (*provided, however*, that in the event Three-Month LIBOR for the applicable interest period is less than zero, the Three-Month LIBOR for such interest period shall be deemed to be zero) plus 395 basis points, computed on the basis of a 360-day year and the actual number of days elapsed and payable quarterly in arrears on each Floating Interest Payment Date. Any payment of principal of or interest on the Subordinated Notes that would otherwise become due and payable on a day which is not a Business Day will become due and payable on the next succeeding Business Day, with the same force and effect as if made on the date for payment of such principal or interest, and no interest will accrue in respect of such payment for the period after such day.

Section 2.13 CUSIP Numbers.

The Company may issue the Subordinated Notes with one or more “CUSIP” numbers (if then generally in use). The Company will promptly notify the Trustee in writing of any change in the CUSIP numbers. The Trustee may use “CUSIP” numbers in notices (including but not limited to notices of redemption or exchange) as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Subordinated Notes or as contained in any notice (including any notice of redemption or exchange) and that reliance may be placed only on the other identification numbers printed on the Subordinated Notes, and any such notice will not be affected by any defect in or omission of such numbers.

ARTICLE III
SATISFACTION AND DISCHARGE OF INDENTURE

Section 3.01 Satisfaction and Discharge.

This Indenture will cease to be of further effect, and the Trustee, on receipt of a Company Order, at the expense of the Company, will execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

- (1) either

(a) all Subordinated Notes theretofore authenticated and delivered (other than (i) Subordinated Notes that have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.08 and (ii) Subordinated Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 9.03) have been delivered to the Trustee for cancellation; or

(b) all Subordinated Notes that have not been delivered to the Trustee for cancellation (i) have become due and payable, or (ii) will become due and payable at their Stated Maturity within one year, or (iii) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and the Company, in the case of (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for such purpose, an amount sufficient to pay and discharge the entire indebtedness on such Subordinated Notes not theretofore delivered to the Trustee for cancellation, including the principal of, and interest on, such Subordinated Notes, to the date of such deposit (in the case of Subordinated Notes which have become due and payable) or to the Maturity thereof, as the case may be;

(2) the Company has paid or caused to be paid all other sums payable hereunder by the Company with respect to the Outstanding Subordinated Notes; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture with respect to the Subordinated Notes, the obligations of the Company to the Trustee under Section 5.07 and, if money will have been deposited with the Trustee in accordance with Section 3.01(1)(b), the obligations of the Company and the Trustee with respect to the Subordinated Notes under Section 3.03 and Section 9.03 will survive.

Section 3.02 Defeasance and Covenant Defeasance.

(1) The Company may at its option and at any time, elect to have Section 3.02(2) or Section 3.02(3) be applied to such Outstanding Subordinated Notes upon compliance with the conditions set forth below in this Section 3.02. Legal Defeasance and Covenant Defeasance may be effected only with respect to all, and not less than all, of the Outstanding Subordinated Notes.

(2) Upon the Company's exercise of the above option applicable to this Section 3.02(2), the Company will be deemed to have been discharged from its obligations with respect to such Outstanding Subordinated Notes on the date the conditions set forth in clause (4) of this Section 3.02 are satisfied ("Legal Defeasance"). For this purpose, Legal Defeasance means that the Company will be deemed to have paid and discharged the entire indebtedness represented by such Outstanding Subordinated Notes, which will thereafter be deemed to be "Outstanding" only for the purposes of Section 3.02(5) and the other Sections of this Indenture referred to in clauses (i) through (iv) of this paragraph, and to have satisfied all of its other obligations under such Subordinated Notes and this Indenture insofar as such Subordinated Notes are concerned (and the Trustee, at the expense of the Company, will execute proper instruments acknowledging the same), except for the following which will survive until otherwise terminated or discharged hereunder: (i) the rights of Holders of such Outstanding Subordinated Notes to receive, solely from the trust fund described in Section 3.02(4)(a) and as more fully set forth in this Section 3.02 and Section 3.03, payments in respect of the principal of and interest, if any, on, such Subordinated Notes when such payments are due, (ii) the obligations of the Company and the Trustee with respect to such Subordinated Notes under Section 2.07, Section 2.08, Section 9.02 and Section 9.03, (iii) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (iv) this Section 3.02 and Section 3.03. The Company may exercise its option under this Section 3.02(2) notwithstanding the prior exercise of its option under Section 3.02(3) with respect to such Subordinated Notes.

(3) Upon the Company's exercise of the above option applicable to this Section 3.02(3), the Company will be released from its obligations under Section 9.04 (except with respect to clause (i)), Section 9.05, Section 9.08 and Section 9.09 on and after the date the conditions set forth in Section 3.02(4) are satisfied ("Covenant Defeasance"), and such Subordinated Notes will thereafter be deemed to be not "Outstanding" for the purposes of any direction, waiver, consent or declaration or Act of Holders (and the consequences of any thereof) in connection with any such covenant, but will continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such Covenant Defeasance means that with respect to such Outstanding Subordinated Notes, the Company may omit to comply with, and will have no liability in respect of any term, condition or limitation set forth in any such Section or any such other covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such Section or such other covenant or by reason of reference in any such Section or such other covenant to any other provision herein or in any other document and such omission to comply will not constitute a default, but, except as specified above, the remainder of this Indenture and such Subordinated Notes will be unaffected thereby.

(4) The following will be the conditions to application of Section 3.02(2) or Section 3.02(3) to any Outstanding Subordinated Notes:

(a) The Company will irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 5.08 who will agree to comply with the provisions of this Section 3.02 applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders, (i) an amount in Dollars, (ii) Government Obligations that through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment of principal of and interest, if any, on such Subordinated Notes, money or (iii) a combination thereof, in any case, in an amount, sufficient, without consideration of any reinvestment of such principal and interest, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which will be applied by the Trustee (or other qualifying trustee) to pay and discharge, the principal of and interest, if any, on, such Outstanding Subordinated Notes on the Stated Maturity of such principal or installment of principal or interest or the applicable Redemption Date, as the case may be.

(b) Such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, this Indenture or any other material agreement or instrument to which the Company or any Subsidiary is a party or by which it is bound.

(c) No Event of Default or event which with notice or lapse of time or both would become an Event of Default with respect to such Subordinated Notes will have occurred and be continuing on the date of such deposit, and, solely in the case of Legal Defeasance under Section 3.02(2), no Event of Default, or event which with notice or lapse of time or both would become an Event of Default, under Section 4.01 will have occurred and be continuing at any time during the period ending on and including the 91st day after the date of such deposit (it being understood that this condition to Legal Defeasance under Section 3.02(2) will not be deemed satisfied until the expiration of such period).

(d) In the case of Legal Defeasance, the Company will have delivered to the Trustee an Opinion of Counsel stating that (i) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (ii) since the date of this Indenture there has been a change in applicable federal income tax law, in either case to the effect that, and based thereon such opinion of independent counsel will confirm that, the Holders of such Outstanding Subordinated Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred.

(e) In the case of Covenant Defeasance, the Company will have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such Outstanding Subordinated Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred.

(f) The Company will have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the Legal Defeasance or Covenant Defeasance, as the case may be, under this Indenture have been satisfied.

(g) If the moneys or Government Obligations or combination thereof, as the case may be, deposited under Section 3.02(4)(a) above are sufficient to pay the principal of, and interest, if any, on, such Subordinated Notes provided such Subordinated Notes are redeemed on a particular Redemption Date, the Company will have given the Trustee irrevocable instructions to redeem such Subordinated Notes on such date and to provide notice of such redemption to Holders as provided in or under this Indenture.

(h) The Trustee will have received such other documents, assurances and Opinions of Counsel as the Trustee will have reasonably required in its discretion.

(5) Subject to the provisions of the last paragraph of Section 9.03, all money and Government Obligations deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 3.02(5), the "Trustee") in accordance with Section 3.02(4)(a) in respect of any Outstanding Subordinated Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Subordinated Notes and this Indenture, to the payment, either directly or through any Paying Agent (other than the Company or any Subsidiary or Affiliate of the Company acting as Paying Agent) as the Trustee may determine in its discretion, to the Holders of all sums due and to become due thereon in respect of principal and interest but such money and Government Obligations need not be segregated from other funds, except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee or other charge, imposed on or assessed against the Government Obligations deposited in accordance with this Section 3.02 or the principal or interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the Outstanding Subordinated Notes.

Section 3.03 Application of Trust Money.

Subject to the provisions of the last paragraph of Section 9.03, all money and Government Obligations deposited with the Trustee in accordance with Section 3.01 or Section 3.02 will be held in trust and applied by the Trustee, in accordance with the provisions of such Subordinated Notes subject to discharge under Section 3.01 or Legal Defeasance or Covenant Defeasance under Section 3.02, and this Indenture, to the payment, either directly or through any Paying Agent (including the Company, acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal and interest for whose payment such money has or Government Obligations have been deposited with or received by the Trustee; but such money and Government Obligations need not be segregated from other funds, except to the extent required by law.

Section 3.04 Reinstatement.

If the Trustee (or other qualifying trustee appointed in accordance with Section 3.02(4)(a)) or any Paying Agent is unable to apply any moneys or Government Obligations deposited in accordance with Section 3.01(1) or Section 3.02(4)(a) to pay any principal of, or interest, if any, on, the Subordinated Notes by reason of any legal proceeding or any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under this Indenture and the Subordinated Notes will be revived and reinstated as though no such deposit had occurred, until such time as the Trustee (or other qualifying trustee) or Paying Agent is permitted to apply all such moneys and Government Obligations to pay the principal of, and interest, if any, on the Subordinated Notes as contemplated by Section 3.01 or Section 3.02 as the case may be; *provided, however*, that if the Company makes any payment of the principal of, or interest if any on, the Subordinated Notes following the reinstatement of its obligations as aforesaid, the Company will be subrogated to the rights of the Holders of such Subordinated Notes to receive such payment from the funds held by the Trustee (or other qualifying trustee) or Paying Agent.

Section 3.05 Effect on Subordination Provisions.

The provisions of Article XI are expressly made subject to the provisions for, and to the right of the Company to effect, the satisfaction and discharge of all of the Subordinated Notes as set forth in and in accordance with Section 3.01 and the provisions for, and to the right of the Company to effect, Legal Defeasance and Covenant Defeasance of all of the Subordinated Notes as set forth in and in accordance with Section 3.02. As a result, and anything herein to the contrary notwithstanding, if the Company complies with the provisions of Section 3.01 to effect the satisfaction and discharge of the Subordinated Notes or complies with the provisions of Section 3.02 to effect the Legal Defeasance or Covenant Defeasance, upon the effectiveness of such satisfaction and discharge in accordance with Section 3.01 or of Legal Defeasance or Covenant Defeasance in accordance with Section 3.02, in the case of satisfaction and discharge in accordance with Section 3.01, or, in the case of Legal Defeasance or Covenant Defeasance in accordance with Section 3.02, the Subordinated Notes as to which Legal Defeasance or Covenant Defeasance, as the case may be, will have become effective will thereupon cease to be so subordinated in right of payment to the Senior Indebtedness and will no longer be subject to the provisions of Article XI and, without limitation to the foregoing, all moneys and Government Obligations deposited with the Trustee (or other qualifying trustee) in trust in connection with such satisfaction and discharge, Legal Defeasance or Covenant Defeasance, as the case may be, and all proceeds therefrom may be applied to pay the principal of, and interest, if any, on, such Subordinated Notes as and when the same will become due and payable notwithstanding the provisions of Article XI without regard to whether any or all of the Senior Indebtedness then outstanding will have been paid or otherwise provided for.

ARTICLE IV
REMEDIES

Section 4.01 Events of Default: Acceleration.

An "Event of Default" means any one of the following events (whatever the reason for such Event of Default and whether it will be voluntary or involuntary or be effected by operation of law or in accordance with any judgment, decree, or order of any court or any order, rule, or regulation of any administrative or governmental body):

(1) the entry of a decree or order for relief in respect of the Company by a court having jurisdiction in the premises in an involuntary case or proceeding under any applicable bankruptcy, insolvency, or reorganization law, now or hereafter in effect of the United States or any political subdivision thereof, and such decree or order will have continued unstayed and in effect for a period of 30 consecutive days;

(2) the commencement by the Company of a voluntary case under any applicable bankruptcy, insolvency or reorganization law, now or hereafter in effect of the United States or any political subdivision thereof, or the consent by the Company to the entry of a decree or order for relief in an involuntary case or proceeding under any such law;

(3) the failure of the Company to pay any installment of interest on any of the Subordinated Notes as and when the same will become due and payable, and the continuation of such failure for a period of 15 days;

(4) the failure of the Company to pay all or any part of the principal of any of the Subordinated Notes as and when the same will become due and payable under this Indenture;

(5) the failure of the Company to perform any other covenant or agreement on the part of the Company contained in the Subordinated Notes or in this Indenture, and the continuation of such failure for a period of 30 days after the date on which notice specifying such failure, stating that such notice is a "Notice of Default" hereunder and demanding that the Company remedy the same, will have been given, in the manner set forth in Section 1.05, to the Company by the Trustee, or to the Company and the Trustee by the Holders of at least 25% in aggregate principal amount of the Subordinated Notes at the time Outstanding; or

(6) the default by the Company under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company having an aggregate principal amount outstanding of at least \$5,000,000, whether such indebtedness now exists or is created or incurred in the future, which default (i) constitutes a failure to pay any portion of the principal of such indebtedness when due and payable after the expiration of any applicable grace period or (ii) results in such indebtedness becoming due or being declared due and payable prior to the date on which it otherwise would have become due and payable without, in the case of clause (i), such indebtedness having been discharged or, in the case of clause (ii), without such indebtedness having been discharged or such acceleration having been rescinded or annulled.

Upon becoming aware of any Event of Default, the Company will promptly deliver to the Trustee a written statement specifying the Event of Default.

If an Event of Default described in Section 4.01(1) or Section 4.01(2) occurs, then the principal amount of all of the Outstanding Subordinated Notes, and accrued and unpaid interest, if any, on all Outstanding Subordinated Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder, and the Company waives demand, presentment for payment, notice of nonpayment, notice of protest, and all other notices. Notwithstanding the foregoing, because the Company will treat the Subordinated Notes as Tier 2 Capital, upon the occurrence of an Event of Default other than an Event of Default described in Section 4.01(1) or Section 4.01(2), neither the Trustee nor any Holder may accelerate the Maturity of the Subordinated Notes and make the principal of, and any accrued and unpaid interest on, the Subordinated Notes, immediately due and payable.

If any Event of Default occurs and is continuing, the Trustee may also pursue any other available remedy to collect the payment of principal of, and interest on, the Subordinated Notes or to enforce the performance of any provision of the Subordinated Notes or this Indenture.

Section 4.02 Failure to Make Payments.

If an Event of Default described in Section 4.01(3) or Section 4.01(4) occurs, the Company will, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holders of such Subordinated Notes, the whole amount then due and payable with respect to such Subordinated Notes, with interest upon the overdue principal, and, to the extent permitted by applicable law, upon any overdue installments of interest at the rate or respective rates, as the case may be, provided for or with respect to such Subordinated Notes or, if no such rate or rates are so provided, at the rate or respective rates, as the case may be, of interest borne by such Subordinated Notes, and, in addition thereto, such further amount of money as will be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and all other amounts due to the Trustee under Section 5.07.

If the Company fails to pay the money it is required to pay the Trustee, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or any other obligor upon such Subordinated Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company, wherever situated.

The Trustee may proceed to protect and enforce its rights and the rights of the Holders of Subordinated Notes by such appropriate judicial proceedings as the Trustee will deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted in this Indenture, or to enforce any other proper remedy.

Upon the occurrence of a failure by the Company to make any required payment of principal or interest on the Subordinated Notes, the Company may not declare or pay any dividends or distributions on, or redeem, purchase, acquire, or make a liquidation payment with respect to, any of the Company's capital stock, make any payment of principal or interest or premium, if any, on or repay, repurchase or redeem any debt securities of the Company that rank equal with or junior to the Subordinated Notes, or make any payments under any guarantee that ranks equal with or junior to the Subordinated Notes, other than: (i) any dividends or distributions in shares of, or options, warrants or rights to subscribe for or purchase shares of, any class of Company's common stock; (ii) any declaration of a dividend in connection with the implementation of a shareholders' rights plan, or the issuance of stock under any such plan in the future, or the redemption or repurchase of any such rights pursuant thereto; (iii) as a result of a reclassification of Company's capital stock or the exchange or conversion of one class or series of Company's capital stock for another class or series of Company's capital stock; (iv) the purchase of fractional interests in shares of Company's capital stock in accordance with the conversion or exchange provisions of such capital stock or the security being converted or exchanged; or (v) purchases of any class of Company's common stock related to the issuance of common stock or rights under any benefit plans for Company's directors, officers or employees or any of Company's dividend reinvestment plans.

Section 4.03 Trustee May File Proofs of Claim.

In case of any judicial proceeding relative to the Company (or any other obligor upon the Subordinated Notes), its property or its creditors, the Trustee will be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under the Trust Indenture Act in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee will be authorized to:

(1) file and prove a claim for the whole amount, or such lesser amount as may be provided for in the Subordinated Notes, of the principal and interest owing and unpaid in respect of such Subordinated Notes and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents or retained professionals) and of the Holders of such Subordinated Notes allowed in such judicial proceeding, and

(2) collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator, or other similar official in any such judicial proceeding is authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee will consent to the making of such payments directly to the Holders and to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements, and advances of the Trustee, its agents and retained professionals, and any other amounts due hereunder.

No provision of this Indenture will be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment, or composition affecting the Subordinated Notes or the rights of any Holder or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding; *provided, however*, the Trustee may vote on behalf of the Holders for the election of a trustee in bankruptcy or similar official and may be a member of a creditors, or other similar committee.

Section 4.04 Trustee May Enforce Claims Without Possession of Subordinated Notes.

All rights of action and claims under this Indenture or the Subordinated Notes may be prosecuted and enforced by the Trustee without the possession of any of the Subordinated Notes or the production of such Subordinated Notes in any related proceeding, and any such proceeding instituted by the Trustee will be brought in its own name as trustee of an express trust, and any recovery of judgment will, after provision for the payment of the reasonable compensation, expenses, disbursements, and advances of the Trustee, its agents, and retained professionals, be for the ratable benefit of the Holders in respect of which such judgment has been recovered.

Section 4.05 Application of Money Collected.

Any money collected by the Trustee in accordance with this Article IV or, after an Event of Default, any money or other property distributable in respect of the Company's obligations under this Indenture will be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal or any interest, upon presentation of the Subordinated Notes and the notation on such Subordinated Notes of the payment if only partially paid and upon surrender of such Subordinated Notes if fully paid:

FIRST: To the payment of all amounts due the Trustee (including the payment of Trustee's agents, accountants, consultants, counsel and other experts employed by it in the exercise and performance of its powers and duties as Trustee), acting in any capacity hereunder, (including any predecessor trustee) under this Indenture;

SECOND: To the payment of amounts then due and unpaid to the holders of Senior Indebtedness, to the extent required under the Subordination Provisions established with respect to the Subordinated Notes;

THIRD: To the payment of the amounts then due and unpaid for principal of and any interest on the Subordinated Notes in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the aggregate amounts due and payable on such Subordinated Notes for principal and interest, respectively; and

FOURTH: The balance, if any, to the Person or Persons entitled thereto.

Section 4.06 Limitation on Suits.

No Holder of any Subordinated Note will have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture or any Subordinated Notes, or for the appointment of a receiver or trustee, or for any other remedy under this Indenture, unless:

- (1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Subordinated Notes;
- (2) the Holders of not less than 25% in aggregate principal amount of the Outstanding Subordinated Notes will have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee under the Indenture;
- (3) such Holder or Holders have offered to the Trustee security and indemnity reasonably satisfactory to the Trustee to bond against the costs, expenses, and liabilities to be incurred in compliance with such request;
- (4) the Trustee for 60 days after its receipt of such notice, request, and offer of indemnity has failed to institute any such proceeding; and
- (5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in aggregate principal amount of the Outstanding Subordinated Notes;

it being understood and intended that no one or more of such Holders will have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb, or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner provided in this Indenture and for the equal and ratable benefit of all of such Holders.

Section 4.07 Unconditional Right of Holders to Payments.

Notwithstanding any other provision in this Indenture, the Holder of any Subordinated Note will have the right, which is absolute and unconditional, to receive payment of the principal of and (subject to Section 2.07 and Section 2.09) any interest on such Subordinated Note on the respective Stated Maturity or Maturities expressed in such Subordinated Note (or, in the case of redemption, on the Redemption Date), and to institute suit for the enforcement of any such payment and such rights will not be impaired without the consent of such Holder.

Section 4.08 Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders will be restored severally and respectively to their former positions under this Indenture, and thereafter all rights and remedies of the Trustee and the Holders will continue as though no such proceeding had been instituted.

Section 4.09 Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Subordinated Notes in the last paragraph of Section 2.08, no right or remedy conferred in this Indenture upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy will, to the extent permitted by law, be cumulative and in addition to every other right and remedy given under this Indenture or now or in the future existing at law or in equity or otherwise. The assertion or employment of any right or remedy under this Indenture, or otherwise, will not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.10 Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder of any Subordinated Notes to exercise any right or remedy accruing upon any Event of Default will impair any such right or remedy or constitute a waiver of or acquiescence in any such Event of Default. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 4.11 Control by Holders.

The Holders of a majority in aggregate principal amount of the Outstanding Subordinated Notes will have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Subordinated Notes, *provided that*

- (1) such direction will not violate any rule of law or this Indenture or the Subordinated Notes,

- (2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and
- (3) the Trustee will have the right to decline to follow any such direction if the Trustee in good faith determines that the proceeding so directed would involve the Trustee in personal liability.

Section 4.12 Waiver of Past Defaults.

The Holders of not less than a majority in aggregate principal amount of the Outstanding Subordinated Notes may on behalf of the Holders of all the Subordinated Notes waive any past default under this Indenture and its consequences, except a default in the payment of the principal of, or interest on, any Subordinated Note, or in respect of a covenant or provision of this Indenture which under Article VIII cannot be modified or amended without the consent of the Holder of each Outstanding Subordinated Note.

Upon any such waiver, such default will cease to exist, and any Event of Default arising from such default will be deemed to have been cured, for every purpose of this Indenture; but no such waiver will extend to any subsequent or other default or impair any consequent right.

Section 4.13 Undertaking for Costs.

All parties to this Indenture agree, and each Holder of any Subordinated Notes by his acceptance of such Subordinated Notes will be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered, or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorney's fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 4.13 will not apply to any suit instituted by the Company, to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Subordinated Notes, or to any suit instituted by any Holder for the enforcement of the payment of the principal of or interest, if any, on any Subordinated Notes on or after the Stated Maturity or Maturities expressed in such Subordinated Notes (or, in the case of redemption, on or after the Redemption Date).

ARTICLE V
THE TRUSTEE

Section 5.01 Duties of Trustee.

- (1) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it hereby, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(2) Except during the continuance of an Event of Default:

(a) the duties of the Trustee will be determined solely by the express provisions hereof and the Trustee need perform only those duties that are specifically set forth herein and no others, and no implied covenants or obligations will be read into this Indenture against the Trustee; and

(b) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements hereof; however, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements hereof (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(3) Whether or not therein expressly so provided, every provision hereof that in any way relates to the Trustee is subject to this Section 5.01 and to Section 5.02.

(4) No provision hereof will require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder has offered to the Trustee security and indemnity satisfactory to it against any loss, the costs, liabilities or expenses.

Section 5.02 Certain Rights of Trustee.

Subject to Section 315(a) through Section 315(d) of the Trust Indenture Act:

(1) the Trustee may conclusively rely and will be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) any request or direction of the Company mentioned herein will be sufficiently evidenced by a Company Request or a Company Order (unless other evidence in respect thereof be herein specifically prescribed) and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

(3) whenever in the administration of this Indenture the Trustee will deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence will be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate or Opinion of Counsel, or both, which will comply with Section 1.02;

(4) before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon. The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care;

(5) the Trustee will be under no obligation to exercise any of the rights or powers vested in it by or under this Indenture at the request or direction of any Holder(s) under this Indenture, unless such Holder(s) will have offered to the Trustee security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction;

(6) the Trustee will not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee will determine to make such further inquiry or investigation, it will be entitled to examine, during business hours and upon reasonable notice, the books, records and premises of the Company, personally or by agent, accountant or attorney, at the sole cost of the Company and will incur no liability or additional liability of any kind by reason of such inquiry or investigation;

(7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee will not be responsible for any misconduct or negligence on the part of any agent or professional appointed with due care by it hereunder;

(8) the Trustee will not be liable for any action taken, suffered or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(9) in no event will the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action;

(10) the Trustee will not be required to take notice or be deemed to have notice of any default or Event of Default, except failure by the Company to pay or cause to be made any of the payments required to be made to the Trustee, unless a Responsible Officer of the Trustee shall receive written notice of such default or Event of Default from the Company or from the Holders of at least 25% in aggregate principal amount of the then Outstanding Subordinated Notes delivered to the Corporate Trust Office of the Trustee and such notice states that it is a notice of default of Event of Default and in the absence of such notice so delivered the Trustee may conclusively assume no default or Event of Default exists;

(11) the Trustee shall have no duty to monitor or confirm compliance by the Company with the terms of this Indenture or any Subordinated Note or the financial performance of the Company; the Trustee shall be entitled to assume, unless it has received written notice in accordance with this Indenture that the Company is properly performing its duties hereunder;

(12) the Trustee shall not be bound to make any investigation into (i) the performance of or compliance with any of the covenants or agreements set forth herein, (ii) the occurrence of any default, or the validity, enforceability, effectiveness or genuineness of this Indenture or any other agreement, instrument or document;

(13) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified for all costs (including those of its retained professionals), are extended to, and will be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed or appointed to act hereunder;

(14) the Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions under this Indenture;

(15) the Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder;

(16) the Trustee shall not be liable or responsible for any calculation in connection with the transactions contemplated hereunder nor for any information used in connection with such calculation;

(17) any permissive right of the Trustee to take or refrain from taking actions enumerated in this Indenture shall not be construed as a duty; and

(18) the Trustee shall not be liable for any action taken or omitted by it in good faith at the direction of the Holders of not less than a majority in principal amount of the Notes as to the time, method and place of conducting any proceedings for any remedy available to the Trustee or the exercising of any power conferred by this Indenture.

Section 5.03 Notice of Defaults.

Within 90 days after a Responsible Officer of the Trustee has actual knowledge of the occurrence of any default hereunder with respect to the Subordinated Notes, the Trustee will deliver to all Holders entitled to receive reports in accordance with Section 6.03(4), notice of such default hereunder actually known to the Trustee, unless such default will have been cured or waived; *provided, however*, that, except in the case of a default in the payment of the principal of or interest, if any, on, any Subordinated Note, the Trustee will be protected in withholding such notice if and so long as the Board of Directors or a Responsible Officer of the Trustee in good faith determines that the withholding of such notice is in the best interest of the Holders. For the purpose of this Section, the term "default" means any event that is, or after notice or lapse of time or both would become, an Event of Default with respect to Subordinated Notes.

Section 5.04 Not Responsible for Recitals or Issuance of Subordinated Notes.

The recitals contained herein and in the Subordinated Notes, except the Trustee's certificate of authentication, will be taken as the statements of the Company and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Subordinated Notes, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Subordinated Notes and perform its obligations hereunder and that the statements made by it in any Statement of Eligibility on Form T-1 supplied to the Company are true and accurate, subject to the qualifications set forth therein. Neither the Trustee nor any Authenticating Agent will be accountable for the use or application by the Company of the Subordinated Notes or the proceeds thereof. The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Subordinated Notes, it will not be accountable for the Company's use of the proceeds from the Subordinated Notes or any money paid to the Company or upon the Company's direction under any provision hereof, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Subordinated Notes or any other document in connection with the sale of the Subordinated Notes or under this Indenture other than its certificate of authentication.

Section 5.05 May Hold Subordinated Notes.

The Trustee, any Authenticating Agent, any Paying Agent, any Registrar or any other Person that may be an agent of the Trustee or the Company, in its individual or any other capacity, may become the owner or pledgee of Subordinated Notes and, subject to Section 310(b) and Section 311 of the Trust Indenture Act, may otherwise deal with the Company with the same rights that it would have if it were not Trustee, Authenticating Agent, Paying Agent, Registrar or such other Person.

The Trustee is subject to Section 311(a) of the Trust Indenture Act, excluding any creditor relationship listed in Section 311(b) of the Trust Indenture Act. A Trustee who has resigned or been removed shall be subject to Section 311(a) of Trust Indenture Act to the extent indicated.

Section 5.06 Money Held in Trust.

Except as provided in Section 3.02(5), Section 3.03 and Section 9.03, money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law and will be held uninvested. The Trustee will be under no liability for interest on any money received by it hereunder except as otherwise agreed in writing with the Company.

Section 5.07 Compensation and Reimbursement.

The Company agrees:

(1) to pay to the Trustee from time to time compensation for all services rendered by the Trustee acting in any capacity hereunder (which compensation will not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee promptly upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of Trustee's agents, accountants, consultants, counsel and other experts employed by it in the exercise and performance of its powers and duties as Trustee), except any such expense, disbursement or advance as may be attributable to the Trustee's gross negligence or willful misconduct; and

(3) to indemnify, defend, protect and hold each of the Trustee acting in any capacity or any predecessor Trustee and their agents, accountants, consultants, counsel and other experts employed by it in the exercise and performance of its powers and duties as Trustee harmless from and against any and all losses, liabilities, damages, costs or expenses suffered or incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Company and defending itself against any claim and including those incurred with respect to enforcement of its right to indemnity hereunder (whether asserted by the Company, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable to its gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction, and the fees and disbursements of the Trustee's agents, legal counsel, accountants and experts and including taxes (other than taxes based upon, measured by or determined by the income of the Trustee). The Trustee will notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company will not relieve the Company of its obligations hereunder. The Company will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel and the Company will pay the reasonable fees and expenses of such counsel. None of the Company need pay for any settlement made without its consent, which consent will not be unreasonably withheld.

The obligations of the Company under this Section 5.07 will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Trustee.

As security for the performance of the obligations of the Company under this Section, the Trustee will have a lien prior to the Subordinated Notes upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of, or interest on, Subordinated Notes. Such lien will survive the satisfaction and discharge hereof and the resignation or removal of the Trustee.

Any compensation or expense incurred by the Trustee after a default specified by Section 4.01 is intended to constitute an expense of administration under any then applicable bankruptcy or insolvency law. "Trustee" for purposes of this Section 5.07 will include any predecessor Trustee, but the gross negligence or willful misconduct of any Trustee will not affect the rights of any other Trustee under this Section 5.07. The provisions of this Section 5.07 will, to the extent permitted by law, survive any termination of this Indenture (including, without limitation, termination in accordance with any Bankruptcy Laws) and the resignation or removal of the Trustee.

Section 5.08 Corporate Trustee Required; Eligibility.

(1) There will at all times be a Trustee hereunder that is a corporation, organized and doing business under the laws of the United States, any state thereof or the District of Columbia, eligible under Section 310(a)(1) of the Trust Indenture Act to act as trustee under an indenture qualified under the Trust Indenture Act and that has a combined capital and surplus (computed in accordance with Section 310(a)(2) of the Trust Indenture Act) of at least \$50,000,000 and is subject to supervision or examination by federal or state authority. The Trustee will also satisfy the requirements of Section 310(a)(5) of the Trust Indenture Act. If at any time the Trustee will cease to be eligible in accordance with the provisions of this Section, it will resign immediately upon written request therefor by the Company or any Holder in the manner and with the effect hereinafter specified in this Article,

(2) The Trustee will comply with Section 310(b) of the Trust Indenture Act; *provided, however*, that there will be excluded from the operation of Section 310(b)(1) of the Trust Indenture Act this Indenture or any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company are outstanding if the requirements for such exclusion set forth in Section 310(b)(1) of the Trust Indenture Act are met.

Section 5.09 Resignation and Removal; Appointment of Successor.

(1) No resignation or removal of the Trustee and no appointment of a successor Trustee in accordance with this Article V will become effective until the acceptance of appointment by the successor Trustee in accordance with Section 5.10.

(2) The Trustee may resign at any time with respect to the Subordinated Notes by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 5.10 will not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may, at the Company's expense, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(3) The Trustee may be removed at any time with respect to the Subordinated Notes by Act of the Holders of a majority in principal amount of the Outstanding Subordinated Notes, delivered to the Trustee and the Company.

If at any time:

(a) the Trustee will fail to comply with the obligations imposed upon it under Section 310(b) of the Trust Indenture Act with respect to Subordinated Notes after written request therefor by the Company or any Holder who has been a bona fide Holder for at least six months,

(b) the Trustee will cease to be eligible under Section 5.08 and will fail to resign after written request therefor by the Company or any such Holder, or

(c) the Trustee will become incapable of acting or will be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property will be appointed or any public officer will take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company, by or in accordance with a Board Resolution, may remove the Trustee with respect to the Subordinated Notes, or (ii) subject to Section 315(e) of the Trust Indenture Act, any Holder who has been a bona fide Holder for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Subordinated Notes and the appointment of a successor Trustee or Trustees.

(4) If the Trustee will resign, be removed or become incapable of acting, or if a vacancy will occur in the office of Trustee for any cause, with respect to the Subordinated Notes, the Company, by or in accordance with a Board Resolution, will promptly appoint a successor Trustee or Trustees with respect to the Subordinated Notes and will comply with the applicable requirements of Section 5.10. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Subordinated Notes shall have been appointed by Act of the Holders of a majority in principal amount of the Outstanding Subordinated Notes delivered to the Company and the retiring Trustee, the successor Trustee so appointed will, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 5.10, become the successor Trustee with respect to the Subordinated Notes and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Subordinated Notes will have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 5.10, any Holder who has been a bona fide Holder for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Subordinated Notes.

(5) The Company will give notice of each resignation and each removal of the Trustee with respect to the Subordinated Notes and each appointment of a successor Trustee with respect to the Subordinated Notes by delivering written notice of such event by first-class mail, postage prepaid, to the Holders as their names and addresses appear in the Subordinated Note Register. Each notice will include the name of the successor Trustee with respect to the Subordinated Notes and the address of its Corporate Trust Office.

The Trustee shall be entitled to all compensation and reimbursement as set forth in Section 5.07 through the effective date of its resignation or removal (and thereafter, to the extent provided in this Indenture).

Section 5.10 Acceptance of Appointment by Successor.

(1) Upon the appointment hereunder of any successor Trustee with respect to all Subordinated Notes, such successor Trustee so appointed will execute, acknowledge and deliver to the Company and the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee will become effective and such successor Trustee, without any further act, deed or conveyance, will become vested with all the rights, powers, trusts and duties hereunder of the retiring Trustee; but, on the request of the Company or such successor Trustee, such retiring Trustee, upon payment of its charges, will execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and, subject to Section 9.03, will duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its claim, if any, provided for in Section 5.07.

(2) Upon the appointment hereunder of any successor Trustee with respect to the Subordinated Notes, the Company, the retiring Trustee and such successor Trustee will execute and deliver an indenture supplemental hereto wherein each successor Trustee will accept such appointment and which (i) will contain such provisions as will be necessary or desirable to transfer and confirm to, and to vest in, such successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Subordinated Notes, (ii) if the retiring Trustee is not retiring with respect to all Subordinated Notes, will contain such provisions as will be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Subordinated Notes will continue to be vested in the retiring Trustee, and (iii) will add to or change any of the provisions of this Indenture as will be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture will constitute such Trustees co-trustees of the same trust, that each such Trustee will be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee and that no Trustee will be responsible for any notice given to, or received by, or any act or failure to act on the part of any other Trustee hereunder, and, upon the execution and delivery of such supplemental indenture, the resignation or removal of the retiring Trustee will become effective to the extent provided therein, such retiring Trustee will have no further responsibility for the exercise of rights and powers or for the performance of the duties and obligations vested in the Trustee under this Indenture with respect to the Subordinated Notes other than as hereinafter expressly set forth, and such successor Trustee, without any further act, deed or conveyance, will become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Subordinated Notes; but, on request of the Company or such successor Trustee, such retiring Trustee, upon payment of its charges with respect to the Subordinated Notes and subject to Section 9.03 will duly assign, transfer and deliver to such successor Trustee, to the extent contemplated by such supplemental indenture, the property and money held by such retiring Trustee hereunder with respect to the Subordinated Notes, subject to its claim, if any, provided for in Section 5.07.

(3) Upon request of any Person appointed hereunder as a successor Trustee, the Company will execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (1) or (2) of this Section, as the case may be.

(4) No Person will accept its appointment hereunder as a successor Trustee unless at the time of such acceptance such successor Person will be qualified and eligible under this Article. No resigning or removed Trustee shall have any liability or responsibility for the action or inaction of any successor Trustee.

Section 5.11 Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee will be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, will be the successor of the Trustee hereunder (provided that such corporation will otherwise be qualified and eligible under this Article), without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Subordinated Notes will have been authenticated but not delivered by the Trustee then in office, any such successor to such authenticating Trustee may adopt such authentication and deliver the Subordinated Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such Subordinated Notes.

The Trustee may appoint one or more Authenticating Agents acceptable to the Company with respect to the Subordinated Notes which will be authorized to act on behalf of the Trustee to authenticate Subordinated Notes issued upon original issue, exchange, registration of transfer, partial redemption, partial repayment, or in accordance with Section 2.08, and Subordinated Notes so authenticated will be entitled to the benefits of this Indenture and will be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Subordinated Notes by the Trustee or the Trustee's certificate of authentication, such reference will be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent.

Each Authenticating Agent will be reasonably acceptable to the Company and, except as provided in or under this Indenture, will at all times be a corporation that would be permitted by the Trust Indenture Act to act as trustee under an indenture qualified under the Trust Indenture Act, is authorized under applicable law and by its charter to act as an Authenticating Agent and has a combined capital and surplus (computed in accordance with Section 310(a)(2) of the Trust Indenture Act) of at least \$50,000,000 and is subject to supervision or examination by federal or state authority. If at any time an Authenticating Agent will cease to be eligible in accordance with the provisions of this Section, it will resign immediately upon written request therefor by the Company or any Holder in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent will be a party, or any corporation succeeding to all or substantially all of the corporate agency or corporate trust business of an Authenticating Agent, will be the successor of such Authenticating Agent hereunder, provided such corporation will be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent will cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent that will be acceptable to the Company and will deliver written notice of such appointment by first-class mail, postage prepaid, to all Holders with respect to which such Authenticating Agent will serve, as their names and addresses appear in the Subordinated Note Register. Any successor Authenticating Agent, upon acceptance of its appointment hereunder, will become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent will be appointed unless eligible under the provisions of this Section 5.12.

The Company agrees to pay each Authenticating Agent from time to time reasonable compensation for its services under this Section. If the Trustee makes such payments, it will be entitled to be reimbursed for such payments, subject to the provisions of Section 5.07.

The provisions of Section 2.10, Section 5.04 and Section 5.05 will be applicable to each Authenticating Agent.

If an Authenticating Agent is appointed under this Section, the Subordinated Notes may have endorsed thereon, in addition to or in lieu of the Trustee's certificate of authentication, an alternate certificate of authentication in substantially the following form:

This is one of the Subordinated Notes of the series designated therein referred to in the within-mentioned Indenture.

Wilmington Trust, National Association, as Trustee

By: _____
Name: _____
Title: _____

Section 5.13 Preferred Collection of Claims against Company.

If and when the Trustee will be or become a creditor of the Company (or any other obligor upon the Subordinated Notes), the Trustee will be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company (or any such other obligor).

ARTICLE VI
HOLDERS LISTS AND REPORTS BY TRUSTEE AND COMPANY

Section 6.01 Holder Lists.

The Trustee will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of the Holders. If the Trustee is not the Registrar, the Company will cause to be furnished to the Trustee at least semiannually on January 1 and July 1 a listing of the Holders dated within 10 days of the date on which the list is furnished and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders.

Section 6.02 Preservation of Information: Communications to Holders.

The Trustee will comply with the obligations imposed upon it in accordance with Section 312 of the Trust Indenture Act.

Every Holder of Subordinated Notes, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company, the Trustee, any Paying Agent or any Registrar will be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of Subordinated Notes in accordance with Section 312(c) of the Trust Indenture Act, regardless of the source from which such information was derived, and that the Trustee will not be held accountable by reason of delivering any material in accordance with a request made under Section 312(b) of the Trust Indenture Act.

Section 6.03 Reports by Trustee.

(1) Within 60 days after July 15 of each year commencing with July 15, 2020, if required by Section 313(a) of the Trust Indenture Act, the Trustee will transmit, in accordance with Section 313(c) of the Trust Indenture Act, a brief report dated as of such July 15 with respect to any of the events specified in said Section 313(a) and Section 313(b)(2) that may have occurred since the later of the immediately preceding July 15 and the date of this Indenture.

(2) The Trustee will transmit the reports required by Section 313(a) of the Trust Indenture Act at the times specified therein.

(3) The Trustee shall comply with Sections 313(b) and 313(c) of the Trust Indenture Act.

(4) Reports under this Section will be transmitted in the manner and to the Persons required by Section 313(c) and Section 313(d) of the Trust Indenture Act.

Section 6.04 Reports by Company.

(1) The Company, in accordance with Section 314(a) of the Trust Indenture Act, will:

(a) file with the Trustee, within 15 days after the Company files the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) that the Company may be required to file with the Commission in accordance with Section 13 or Section 15(d) of the Exchange Act; or, if the Company is not required to file information, documents or reports in accordance with either of said Sections, then it will file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports that may be required in accordance with Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(b) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional certificates, information, documents and reports with respect to compliance by the Company, with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(c) transmit to the Holders within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by the Company in accordance with paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission. Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such will not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

(2) The Company intends to file the reports referred to in Section 6.04(1) with the Commission in electronic form in accordance with Regulation S-T of the Commission using the Commission's Electronic Data Gathering, Analysis and Retrieval system. Compliance with the foregoing, or any successor electronic system approved by the Commission, will constitute delivery by the Company of such reports to the Trustee and Holders in compliance with the provision of Section 6.04(1) and Trust Indenture Act Section 314(a). Notwithstanding anything to the contrary herein, the Trustee will have no duty to search for or obtain any electronic or other filings that the Company makes with the Commission, regardless of whether such filings are periodic, supplemental or otherwise. Delivery of the reports, information and documents to the Trustee in accordance with this Section 6.04(2) will be solely for the purposes of compliance with Section 6.04 (1) and with Trust Indenture Act Section 314(a). The Trustee's receipt of such reports, information and documents (whether or not filed in electronic form) is for informational purposes only and the Trustee's receipt of such will not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates). The Trustee shall have no liability or responsibility for the filing, content or timelines of any report hereunder aside from any report transmitted under Section 6.03 hereof.

ARTICLE VII SUCCESSORS

Section 7.01 Merger, Consolidation or Sale of All or Substantially All Assets.

The Company will not, in any transaction or series of related transactions, consolidate with or merge into any Person or sell, assign, transfer, lease or otherwise convey all or substantially all its properties and assets to any Person, unless:

(1) either the Company will be the continuing Person (in the case of a merger), or the successor Person (if other than the Company) formed by such consolidation or into which the Company is merged or which acquires by sale, assignment, transfer, lease or other conveyance all or substantially all the properties and assets of the Company will be a corporation organized and existing under the laws of the United States, any state thereof or the District of Columbia and will expressly assume, by an indenture (or indentures, if at such time there is more than one Trustee) supplemental hereto, executed by such successor corporation and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of, and interest on, all the Outstanding Subordinated Notes and the due and punctual performance and observance of every obligation in this Indenture and the Outstanding Subordinated Notes on the part of the Company to be performed or observed;

(2) immediately after giving effect to such transaction and treating any indebtedness that becomes an obligation of the Company or any Subsidiary as a result of that transaction as having been incurred by the Company or any Subsidiary at the time of the transaction, no Event of Default, and no event which, after notice or lapse of time, or both, would become an Event of Default, will have occurred and be continuing; and

(3) either the Company or the successor Person will have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, sale, assignment, transfer, lease or other conveyance and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with this Article VII and that all conditions precedent herein provided for relating to such transaction have been complied with.

For purposes of the foregoing, any sale, assignment, transfer, lease or other conveyance of all or any of the properties and assets of one or more Subsidiaries of the Company (other than to the Company or another Subsidiary), which, if such properties and assets were directly owned by the Company, would constitute all or substantially all of the Company's properties and assets, will be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

Section 7.02 Successor Person Substituted for Company.

Upon any consolidation by the Company with or merger of the Company into any other Person or any sale, assignment, transfer, lease or conveyance of all or substantially all of the properties and assets of the Company to any Person in accordance with Section 7.01, the successor Person formed by such consolidation or into which the Company is merged or to which such sale, assignment, transfer, lease or other conveyance is made will succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein; and thereafter, except in the case of a lease, the predecessor Person will be released from all obligations and covenants under this Indenture and the Subordinated Notes.

ARTICLE VIII
SUPPLEMENTAL INDENTURES

Section 8.01 Supplemental Indentures without Consent of Holders.

Without the consent of any Holders of Subordinated Notes, the Company (when authorized by or in accordance with a Board Resolution) and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

- (1) to evidence the succession of another Person to the Company, and the assumption by any such successor of the covenants of the Company contained herein and in the Subordinated Notes;
- (2) to add to the covenants of the Company for the benefit of the Holders (as will be specified in such supplemental indenture or indentures) or to surrender any right or power herein conferred upon the Company with respect to the Subordinated Notes issued under this Indenture (as will be specified in such supplemental indenture or indentures);
- (3) to permit or facilitate the issuance of Subordinated Notes in uncertificated or global form, provided any such action will not adversely affect the interests of the Holders;
- (4) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Subordinated Notes and to add to or change any of the provisions of this Indenture as will be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, in accordance with the requirements of Section 5.10;
- (5) to cure any ambiguity or to correct or supplement any provision herein that may be defective or that may be inconsistent with the Trust Indenture Act or any other provision herein;
- (6) to make any other provisions with respect to matters or questions arising under this Indenture that will not adversely affect the interests of the Holders of then Outstanding Subordinated Notes;
- (7) to add any additional Events of Default (as will be specified in such supplemental indenture);
- (8) to supplement any of the provisions of this Indenture to such extent as will be necessary to permit or facilitate the Legal Defeasance, Covenant Defeasance and/or satisfaction and discharge of the Subordinated Notes in accordance with Article III, provided that any such action will not adversely affect the interests of any Holder;
- (9) to provide for the issuance of Exchange Notes;
- (10) to conform any provision in this Indenture to the requirements of the Trust Indenture Act; or
- (11) to make any change that does not adversely affect the legal rights under this Indenture of any Holder.

Section 8.02 Supplemental Indentures with Consent of Holders.

With the consent of the Holders of not less than a majority in principal amount of the Outstanding Subordinated Notes, by Act of said Holders delivered to the Company and the Trustee, the Company (when authorized by or in accordance with a Board Resolution), and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of the Subordinated Notes or of modifying in any manner the rights of the Holders under this Indenture; provided, that no such supplemental indenture, without the consent of the Holder of each Outstanding Subordinated Note affected thereby, will:

- (1) reduce the rate of or change the time for payment of interest, including Defaulted Interest, on any Subordinated Notes;
- (2) reduce the principal of or change the Stated Maturity of any Subordinated Notes, or change the date on which any Subordinated Notes may be subject to redemption or reduce the Redemption Price therefore;
- (3) make any Subordinated Note payable in money other than Dollars;
- (4) make any change in provisions of this Indenture protecting the right of each Holder to receive payment of principal of and interest on such Subordinated Note on or after the due date thereof or to bring suit to enforce such payment;
- (5) reduce the percentage in principal amount of the Outstanding Subordinated Notes, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in Section 4.12 or Section 9.07 of this Indenture; or
- (6) modify any of the provisions of this Section 8.02, Section 4.12 or Section 9.07, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Subordinated Note affected thereby.

It will not be necessary for any Act of Holders under this Section 8.02 to approve the particular form of any proposed supplemental indenture, but it will be sufficient if such Act will approve the substance thereof.

Section 8.03 Execution of Supplemental Indentures.

As a condition to executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article VIII or the modifications thereby of the trust created by this Indenture, the Trustee will be entitled to receive, and (subject to Section 5.01) will be fully protected in relying upon, an Officers' Certificate and an Opinion of Counsel to the effect that the execution of such supplemental indenture is authorized or permitted by this Indenture, that such supplemental indenture has been duly authorized, executed and delivered by, and is a valid, binding and enforceable obligation of, the Company, subject to customary exceptions, and that, to the extent applicable pursuant to Section 8.01, such supplemental indenture does not adversely affect the interests of the Holders. The Trustee may, but will not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 8.04 Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article VIII, this Indenture will be modified in accordance therewith, and such supplemental indenture will form a part of this Indenture for all purposes; and every Holder theretofore or thereafter authenticated and delivered hereunder.

Section 8.05 Reference in Subordinated Notes to Supplemental Indentures.

Subordinated Notes authenticated and delivered after the execution of any supplemental indenture in accordance with this Article VIII may, and will if required by the Company, bear a notation in form approved by the Company as to any matter provided for in such supplemental indenture. If the Company will so determine, new Subordinated Notes so modified as to conform, in the opinion of the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Subordinated Notes.

Section 8.06 Effect on Senior Indebtedness.

No supplemental indenture will directly or indirectly modify or eliminate the Subordination Provisions or the definition of "Senior Indebtedness" applicable with respect to the Subordinated Notes in any manner that might terminate or impair the subordination of such Subordinated Notes to such Senior Indebtedness without the prior written consent of each of the holders of such Senior Indebtedness.

Section 8.07 Conformity with Trust Indenture Act.

Every supplemental indenture executed in accordance with this Article will conform to the requirements of the Trust Indenture Act as then in effect.

ARTICLE IX
COVENANTS

Section 9.01 Payment of Principal and Interest.

The Company covenants and agrees for the benefit of the Holders that it will duly and punctually pay the principal of, and interest on, the Subordinated Notes, in accordance with the terms thereof and this Indenture. Principal and interest will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 11:00 a.m., Eastern time, on the Business Day immediately prior to any Interest Payment Date, an amount in immediately available funds provided by the Company that is designated for and sufficient to pay all principal and interest then due.

Section 9.02 Maintenance of Office.

The Company will maintain in each Place of Payment of any series of Notes an office or agency (which may be an office of the Trustee or an Affiliate of the Trustee or Registrar) where Subordinated Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Subordinated Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Subordinated Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided that no such designation or rescission will in any manner relieve the Company of its obligation to maintain an office or agency in Jasper, Indiana. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Company hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Company in accordance with Section 9.02; provided, however, that no service of legal process on the Company may be made at any office of the Trustee.

Section 9.03 Money for Subordinated Notes Payments to Be Held in Trust.

If the Company will at any time act as its own Paying Agent, it will, on or before each due date of the principal of, or interest on, any of the Subordinated Notes, segregate and hold in trust for the benefit of the Persons entitled thereto a sum in Dollars sufficient to pay the principal and interest, as the case may be, so becoming due until such sums will be paid to such Persons or otherwise disposed of as herein provided, and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company will have one or more Paying Agents, it will, on or prior to each due date of the principal of, or interest on, any Subordinated Notes, deposit with any Paying Agent a sum in Dollars sufficient to pay the principal and interest, as the case may be, so becoming due, such sum to be held in trust for the benefit of the Persons entitled thereto, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent will agree with the Trustee, subject to the provisions of this Section that such Paying Agent will:

- (1) hold all sums held by it for the payment of the principal of, or interest on, the Subordinated Notes in trust for the benefit of the Persons entitled thereto until such sums will be paid to such Persons or otherwise disposed of as provided in or under this Indenture;
- (2) give the Trustee notice of any default by the Company in the making of any payment of principal, or interest on, the Subordinated Notes; and
- (3) at any time during the continuance of any such default, upon the written request of the Trustee, pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same terms as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent will be released from all further liability with respect to such sums.

Subject to applicable law, any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, or interest on, any Subordinated Note and remaining unclaimed for two years after such principal or interest will have become due and payable will be paid to the Company upon a Company Request, or (if then held by the Company) will be discharged from such trust; and the Holder of such Subordinated Note will thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease.

Section 9.04 Corporate Existence.

Subject to Article VII, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect (i) the corporate existence of the Company, (ii) the existence (corporate or otherwise) of each Significant Subsidiary and (iii) the rights (charter and statutory), licenses and franchises of the Company and each of its Significant Subsidiaries, including without limitation the Company's status as a bank holding company or financial holding company under the Bank Holding Company Act of 1956, as amended, and the Bank's status as an "insured depository institution" under Section 3(c)(2) of the Federal Deposit Insurance Act, as amended; provided, however, that the Company will not be required to preserve the existence (corporate or other) of any of its Significant Subsidiaries or any such right, license or franchise of the Company or any of its Significant Subsidiaries if the Board of Directors of the Company determines that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Significant Subsidiaries taken as a whole and that the loss thereof will not be disadvantageous in any material respect to the Holders. Subject to Article VII, the Company shall not take any action, omit to take any action or enter into any transaction that would have the effect of the Company owning less than one hundred percent (100%) of the capital stock of the Bank.

Section 9.05 Maintenance of Properties.

The Company will, and will cause each Significant Subsidiary to, cause all its properties used or useful in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Company may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; *provided, however*, that nothing in this Section will prevent the Company or any Significant Subsidiary from discontinuing the operation and maintenance of any of their respective properties if such discontinuance is, in the judgment of the Board of Directors of the Company or of any Significant Subsidiary, as the case may be desirable in the conduct of its business.

Section 9.06 Dividends.

The Company shall not declare or pay any dividend, or make any distribution on capital stock or other equity securities of any kind of the Company, in each case except: (i) in such amounts as permitted by applicable regulations and only upon receipt of any required regulatory approval; and (ii) for dividends payable solely in shares of common stock of the Company.

Section 9.07 Waiver of Certain Covenants.

The Company may omit in any particular instance to comply with any term, provision or condition set forth in Section 9.02 to Section 9.06, inclusive, with respect to the Subordinated Notes if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Subordinated Notes, by Act of such Holders, either will waive such compliance in such instance or generally will have waived compliance with such term, provision or condition, but no such waiver will extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver will become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition will remain in full force and effect.

Section 9.08 Company Statement as to Compliance.

The Company will deliver to the Trustee, within 120 days after the end of each fiscal year, an Officers' Certificate covering the preceding calendar year, stating whether or not, to the best of his or her knowledge, the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to notice requirements or periods of grace) and if the Company will be in default, specifying all such defaults and the nature and status thereof of which he or she may have knowledge.

The Company will deliver to the Trustee, within 30 days of any Officer becoming aware of any default or Event of Default that has not been cured, an Officers' Certificate specifying any events which would constitute a default or Event of Default, their status, and what action the Company is taking or proposing to take in respect thereof.

Section 9.09 Tier 2 Capital.

If all or any portion of the Subordinated Notes ceases to be deemed to be Tier 2 Capital, other than due to the limitation imposed on the capital treatment of subordinated debt during the five (5) years immediately preceding the Maturity Date of the Subordinated Notes, the Company will immediately notify the Trustee and the Holders thereof, and thereafter the Company and the Holders will work together in good faith, subject to the terms of this Indenture, to execute and deliver all agreements as reasonably necessary in order to restructure the applicable portions of the obligations evidenced by the Subordinated Notes to qualify as Tier 2 Capital and the Company shall request, subject to the terms of this Indenture, that the Trustee execute and deliver all such agreements as may be reasonably necessary in order to effect any restructuring agreed to by the Company and the Holders; *provided, however*, that nothing contained in this Section 9.09 shall limit the Company's right to redeem the Subordinated Notes upon the occurrence of a Tier 2 Capital Event pursuant to Section 10.01(3) hereof.

ARTICLE X
REDEMPTION OF SECURITIES

Section 10.01 Applicability of Article.

(1) Except as provided in this Section 10.01, the Subordinated Notes are not subject to redemption at the option of the Company. The Subordinated Notes are not subject to redemption at the option of the Holders.

(2) Subject to the receipt of any required regulatory approvals, including but not limited to prior approval of the Board of Governors of the Federal Reserve System (the “Federal Reserve”) to the extent such approval is then required under the capital adequacy rules of the Federal Reserve, with corresponding written notice to the Trustee, the Company may, at its option, on any Interest Payment Date on or after July 31, 2024, redeem all or a portion of the Subordinated Notes.

(3) Subject to the receipt of any required regulatory approvals, the Company may, at its option, redeem all, but not a portion of the Outstanding Subordinated Notes at any time upon an Investment Company Event, a Tax Event or a Tier 2 Capital Event.

(4) The Redemption Price with respect to any redemption permitted under this Indenture will be equal to 100% of the principal amount of the Subordinated Notes to be redeemed, plus accrued but unpaid interest thereon to, but excluding, the Redemption Date.

Section 10.02 Election to Redeem; Notice to Trustee.

The election of the Company to redeem any Subordinated Notes will be evidenced by a Company Order. In case of any redemption of less than all of the Subordinated Notes, the Company will, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice will be satisfactory to the Trustee, but in any event not less than 45 days prior to the Redemption Date), notify the Trustee, of such Redemption Date and of the principal amount of Subordinated Notes to be redeemed.

In the case of any redemption of Subordinated Notes (i) prior to the expiration of any restriction on such redemption provided in the terms of such Subordinated Notes or elsewhere in this Indenture or (ii) in accordance with an election of the Company that is subject to a condition specified in the terms of such Subordinated Notes or elsewhere in this Indenture, the Company will furnish to the Trustee an Officers’ Certificate evidencing compliance with such restriction or condition.

Section 10.03 Selection by Trustee of Subordinated Notes to be Redeemed.

If less than all of the Subordinated Notes are to be redeemed, the Subordinated Notes will be redeemed on a pro rata basis as to the Holders, which, upon partial redemption, will include a like percentage of the principal amount of all of the Subordinated Notes. In the event a pro rata redemption is not permitted under applicable law or applicable depository requirements, the Subordinated Notes to be redeemed will be selected by lot or such method as the Trustee will deem fair and appropriate.

The Trustee will promptly notify the Company and the Registrar (if other than itself) in writing of the Subordinated Notes selected for redemption (if required) and, in the case of any Subordinated Notes to be partially redeemed, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Subordinated Notes will relate, in the case of any Subordinated Notes redeemed or to be redeemed only in part, to the portion of the principal of such Subordinated Notes which has been or is to be redeemed.

Section 10.04 Notice of Redemption.

Notice of redemption will be given in the manner provided in Section 1.05, not less than 30 days nor more than 60 days prior to the Redemption Date to the Holders of Subordinated Notes to be redeemed. Failure to give notice by delivering in the manner herein provided to the Holder of any Subordinated Notes designated for redemption as a whole or in part, or any defect in the notice to any such Holder, will not affect the validity of the proceedings for the redemption of any other Subordinated Notes or portions thereof.

Any notice that is delivered to the Holder of any Subordinated Notes in the manner herein provided will be conclusively presumed to have been duly given, whether or not such Holder receives the notice.

All notices of redemption will state:

- (1) the Redemption Date,
- (2) the Redemption Price,

(a) if less than all Outstanding Subordinated Notes are to be redeemed, the identification (and, in the case of partial redemption, the principal amount) of the particular Subordinated Note or Subordinated Notes to be redeemed,

(3) that, in case any Subordinated Note is to be redeemed in part only, on and after the Redemption Date, upon surrender of such Subordinated Note, the Holder of such Subordinated Note will receive, without charge, a new Subordinated Note or Subordinated Notes of authorized denominations for the principal amount thereof remaining unredeemed,

(4) that, on the Redemption Date, the Redemption Price will become due and payable upon each such Subordinated Note or portion thereof to be redeemed, together (if applicable) with accrued and unpaid interest thereon (subject, if applicable, to the provisos to the first paragraph of Section 10.06), and, if applicable, that interest thereon will cease to accrue on and after said date,

- (5) the place or places where such Subordinated Notes are to be surrendered for payment of the Redemption Price and any accrued interest pertaining thereto, and
- (6) the section hereunder providing for such redemption.

The notice of redemption shall include the CUSIP number reference numbers of such Subordinated Notes, if any (or any other numbers used by a Depository to identify such Subordinated Notes).

Notice of redemption of Subordinated Notes to be redeemed at the election of the Company will be given by the Company or, at the Company's request delivered at least 10 days before the date such notice is to be given (unless a shorter period will be acceptable to the Trustee), by the Trustee in the name and at the expense of the Company.

Section 10.05 Deposit of Redemption Price.

On or prior to 11:00 a.m., Eastern time, on any Redemption Date, the Company will deposit, with respect to the Subordinated Notes called for redemption in accordance with Section 10.04, with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 9.03) an amount sufficient to pay the Redemption Price of, and (except if the Redemption Date will be an Interest Payment Date) any accrued interest on, all such Subordinated Notes or portions thereof which are to be redeemed on that date.

Section 10.06 Subordinated Notes Payable on Redemption Date.

Notice of redemption having been given as provided above, the Subordinated Notes so to be redeemed will, on the Redemption Date, become due and payable at the Redemption Price therein specified, together with accrued and unpaid interest thereon and from and after such date (unless the Company will default in the payment of the Redemption Price and accrued interest, if any) such Subordinated Notes will cease to bear interest. Upon surrender of any such Subordinated Note for redemption in accordance with said notice, such Subordinated Note will be paid by the Company at the Redemption Price, together with any accrued and unpaid interest thereon to but excluding the Redemption Date; *provided, however*, that installments of interest on Subordinated Notes whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Subordinated Notes registered as such on the Fixed Interest Record Dates or Floating Rate Record Dates, as applicable, therefor according to their terms and the provisions of Section 2.09.

If any Subordinated Note called for redemption will not be so paid upon surrender thereof for redemption, the principal, until paid, will bear interest from the Redemption Date at the rate prescribed therefor in the Subordinated Note or, if no rate is prescribed therefor in the Subordinated Note, at the rate of interest, if any, borne by such Subordinated Note.

Section 10.07 Subordinated Notes Redeemed in Part.

Any Subordinated Note which is to be redeemed only in part will be surrendered at any office or agency for such Subordinated Note (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Company will execute and the Trustee will authenticate and deliver to the Holder of such Subordinated Note without service charge, a new Subordinated Note or Subordinated Notes, containing identical terms and provisions, of any authorized denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Subordinated Note so surrendered. If a Global Subordinated Note is so surrendered, the Company will execute, and the Trustee will authenticate and deliver to the Depository for such Global Subordinated Note as will be specified in the Company Order with respect thereto to the Trustee, without service charge, a new Global Subordinated Note in a denomination equal to and in exchange for the unredeemed portion of the principal of the Global Subordinated Note so surrendered.

Upon surrender of a Subordinated Note that is redeemed in part, the Company will issue and the Trustee will authenticate for the Holder at the expense of the Company a new Subordinated Note equal in principal amount to the unredeemed portion of the Subordinated Notes Note surrendered representing the same indebtedness to the extent not redeemed. Notwithstanding anything in this Indenture to the contrary, only a Company Order and not an Opinion of Counsel or an Officers' Certificate of the Company is required for the Trustee to authenticate such new Subordinated Note.

ARTICLE XI
SUBORDINATION OF SECURITIES

Section 11.01 Agreement to Subordinate.

The Company, for itself, its successors and assigns, covenants and agrees, and each Holder of Subordinated Notes by the Holder's acceptance thereof, likewise covenants and agrees, that the payment of the principal of and interest on each and all of the Subordinated Notes is and will be expressly subordinated in right of payment to the prior payment in full of all Senior Indebtedness.

Section 11.02 Distribution of Assets.

(1) Upon any distribution of assets of the Company upon any termination, winding up, liquidation or reorganization of the Company, whether in bankruptcy, insolvency, reorganization or receivership proceedings or upon an assignment for the benefit of creditors or any other marshalling of the assets and liabilities of the Company or otherwise (subject to the power of a court of competent jurisdiction to make other equitable provision reflecting the rights conferred upon the Senior Indebtedness and the holders thereof with respect to the Subordinated Notes and the Holders thereof by a lawful plan of reorganization under applicable bankruptcy law):

(a) holders of all Senior Indebtedness will first be entitled to receive payment in full in accordance with the terms of such Senior Indebtedness of the principal thereof, premium, if any, and the interest due thereon (including interest accruing subsequent to the commencement of any proceeding for the bankruptcy or reorganization of the Company under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) before the Holders of the Subordinated Notes are entitled to receive any payment upon the principal of or interest on indebtedness evidenced by the Subordinated Notes;

(b) any payment or distribution of assets of the Company of any kind or character, whether in cash, property or securities, to which the Holders would be entitled except for the provisions of this Article XI, including any such payment or distribution that may be payable or deliverable by reason of the payment of any other indebtedness of the Company being subordinated to the payment of the Subordinated Notes, will be paid by the liquidating trustee or agent or other Person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, in accordance with the priorities then existing among holders of Senior Indebtedness for payment of the aggregate amounts remaining unpaid on account of the principal, premium, if any, and interest (including interest accruing subsequent to the commencement of any proceeding for the bankruptcy or reorganization of the Company under any applicable bankruptcy, insolvency or similar law now or hereafter in effect) on the Senior Indebtedness held or represented by each, to the extent necessary to make payment in full of all Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness; it being understood that if the Holders fail to file a proper claim in the form required by any proceeding referred to in this Section 11.02(1)(b) prior to 30 days before the expiration of the time to file such claim or claims, then the holders of Senior Indebtedness are hereby authorized to file an appropriate claim or claims for and on behalf of the Holders, in the form required in any such proceeding; and

(c) in the event that, notwithstanding the foregoing, any payment or distribution of assets of the Company of any kind or character, whether in cash, property or securities, including any such payment or distribution that may be payable or deliverable by reason of the payment of any other indebtedness of the Company being subordinate to the payment of the Subordinated Notes will be received by the Trustee or the Holders before all Senior Indebtedness is paid in full, such payment or distribution will be paid over to the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee, agent or other Person making payment of assets of the Company for all Senior Indebtedness remaining unpaid until all such Senior Indebtedness will have been paid in full, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness,

(2) Subject to the payment in full of all Senior Indebtedness, the Holders will be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions of cash, property or securities of the Company applicable to the Senior Indebtedness until the principal of and interest on the Subordinated Notes will be paid in full and no such payments or distributions to holders of such Senior Indebtedness to which the Holders would be entitled except for the provisions hereof of cash, property or securities otherwise distributable to the holders of Senior Indebtedness will, as between the Company, its creditors, other than the holders of Senior Indebtedness, and the Holders, be deemed to be a payment by the Company to or on account of the Senior Indebtedness. It is understood that the provisions of this Article XI are intended solely for the purpose of defining the relative rights of the Holders of the Subordinated Notes, on the one hand, and the holders of Senior Indebtedness, on the other hand. Nothing contained in this Article XI or elsewhere in this Indenture or any supplemental indenture issued in accordance with Article VIII of this Indenture or in the Subordinated Notes is intended to or will impair, as between the Company, its creditors, other than the holders of Senior Indebtedness, and the Holders, the obligation of the Company, which is unconditional and absolute, to pay to the Holders the principal of and interest on the Subordinated Notes as and when the same will become due and payable in accordance with their terms or to affect the relative rights of the Holders and creditors of the Company, other than the holders of the Senior Indebtedness, nor, except as otherwise expressly provided in this Indenture and the Subordinated Notes with respect to the limitation on the rights of the Trustee and the Holders, to accelerate the maturity of the Subordinated Notes and pursue remedies upon such an acceleration, will anything herein or in the Subordinated Notes prevent the Trustee or any Holder from exercising all remedies otherwise permitted by applicable law upon any Event of Default under the Indenture occurring, subject to the rights, if any, under this Article XI of the holders of Senior Indebtedness, in respect of cash, property or securities of the Company received upon the exercise of any such remedy. Upon any payment or distribution of assets of the Company referred to in this Article XI, the Trustee and the Holders will be entitled to rely upon any order or decree of a court of competent jurisdiction in which such termination, winding up, liquidation or reorganization proceeding is pending or upon a certificate of the liquidating trustee or agent or other Person making any distribution to the Trustee or to the Holders for the purpose of ascertaining the Persons entitled to participate in such distribution, the holders of the Senior Indebtedness and other indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article XI. In the absence of any such liquidating trustee, agent or other person, the Trustee will be entitled to rely upon a written notice by a Person representing itself to be a holder of Senior Indebtedness (or a trustee or representative on behalf of such holder) as evidence that such Person is a holder of Senior Indebtedness (or is such a trustee or representative). If the Trustee determines, in good faith, that further evidence is required with respect to the right of any Person, as a holder of Senior Indebtedness, to participate in any payment or distribution in accordance with this Article XI, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person, as to the extent to which such Person is entitled to participation in such payment or distribution, and as to other facts pertinent to the rights of such Person under this Article XI, and if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment.

With respect to the holders of Senior Indebtedness, the Trustee undertakes to perform or to observe only such of its covenants and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations with respect to the holders of Senior Indebtedness will be read into this Indenture against the Trustee. The Trustee, however, will not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness by reason of the execution of this Indenture, or any other supplemental indenture entered into in accordance with Article VIII of this Indenture, and will not be liable to any such holders if it will in good faith mistakenly pay over or distribute to or on behalf of the Holders or the Company moneys or assets to which any holders of Senior Indebtedness will be entitled by virtue of this Article XI or otherwise.

Section 11.03 Default With Respect to Senior Indebtedness.

In the event and during the continuation of any default in the payment of principal of, or premium, if any, or interest on, any Senior Indebtedness, beyond any applicable grace period, or if any event of default with respect to any Senior Indebtedness will have occurred and be continuing, or would occur as a result of the payment referred to hereinafter, permitting the holders of such Senior Indebtedness (or a trustee on behalf of the holders thereof) to accelerate the maturity thereof, then, unless and until such default or event of default will have been cured or waived or will have ceased to exist, no payment or principal of or interest on the Subordinated Notes, or in respect of any retirement, purchase or other acquisition of any of the Subordinated Notes, will be made by the Company.

Section 11.04 No Impairment.

Nothing contained in this Indenture, any other supplemental indenture entered into in accordance with Article VIII of this Indenture, or in any of the Subordinated Notes will: (i) impair, as between the Company and the Holders, the obligations of the Company, to make, or prevent the Company from making, at any time except as provided in Section 11.02 and Section 11.03, payments of principal of, or interest (including interest accruing subsequent to the commencement of any proceeding for the bankruptcy or reorganization of the Company under any applicable bankruptcy, insolvency, or similar law now or hereafter in effect) on, the Subordinated Notes, as and when the same will become due and payable in accordance with the terms of the Subordinated Notes; (ii) affect the relative rights of the Holders and creditors of the Company other than the holders of the Senior Indebtedness; (iii) except as otherwise expressly provided in this Indenture and the Subordinated Notes with respect to the limitation on the rights of the Trustee and the Holders, to accelerate the maturity of the Subordinated Notes and pursue remedies upon such an acceleration, prevent the Holder of any Subordinated Notes or the Trustee from exercising all remedies otherwise permitted by applicable law upon default thereunder, subject to the rights, if any, under this Article XI of the holders of Senior Indebtedness in respect of cash, property or securities of the Company received upon the exercise of such remedy; or (iv) prevent the application by the Trustee or any Paying Agent of any moneys deposited with it hereunder to the payment of or on account of the principal of, or interest on, the Subordinated Notes or prevent the receipt by the Trustee or any Paying Agent of such moneys, if, prior to the third Business Day prior to such deposit, the Trustee or such Paying Agent did not have written notice of any event prohibiting the making of such deposit by the Company.

Section 11.05 Effectuation of Subordination Provisions.

Each Holder by his acceptance of any Notes authorizes and expressly directs the Trustee on such Holder's behalf to take such action as may be necessary or appropriate to effectuate the Subordination Provisions, and appoints the Trustee such Holder's attorney-in-fact for such purposes, including, in the event of any termination, winding up, liquidation or reorganization of the Company (whether in bankruptcy, insolvency, receivership, reorganization or similar proceedings or upon an assignment for the benefit of creditors by the Company, a marshalling of the assets and liabilities of the Company or otherwise) tending toward the liquidation of the property and assets of the Company, the filing of a claim for the unpaid balance of the Subordinated Notes in the form required in those proceedings.

Section 11.06 Notice to Trustee.

The Company will give prompt written notice to the Trustee of any fact known to the Company that would prohibit the Company from making any payment to or by the Trustee in respect of the Subordinated Notes in accordance with the provisions of this Article XI. The Trustee will not be charged with the knowledge of the existence of any default or event of default with respect to any Senior Indebtedness or of any other facts that would prohibit the making of any payment to or by the Trustee or any Paying Agent unless and until a Responsible Officer of the Trustee has received a written notice specifying such default, event of default or other facts signed by an Authorized Officer, or by a holder of Senior Indebtedness or a trustee or agent thereof and such notice states that it is a notice of default or event of default; and prior to the receipt of any such written notice, the Trustee will, subject to Article V of this Indenture, be entitled to assume that no such facts exist; provided that, if the Trustee will not have received the notice provided for in this Section 11.06 at least two Business Days prior to the date upon which, by the terms of the Indenture, any monies will become payable for any purpose (including, without limitation, the payment of the principal of or interest on any Subordinated Note), then, notwithstanding anything herein to the contrary, the Trustee will have full power and authority to receive any monies from the Company and to apply the same to the purpose for which they were received, and will not be affected by any notice to the contrary that may be received by it on or after such prior date except for an acceleration of the Subordinated Notes prior to such application. The foregoing will not apply if the Paying Agent is the Company. The Trustee will be entitled to rely on the delivery to it of a written notice by a Person representing himself or itself to be a holder of any Senior Indebtedness (or a trustee or agent on behalf of, or agent of, such holder) to establish that such notice has been given by a holder of such Senior Indebtedness or a trustee or agent on behalf of any such holder.

In the event that the Trustee determines in good faith that any evidence is required with respect to the right of any Person as a holder of Senior Indebtedness to participate in any payment or distribution in accordance with this Article XI, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article XI and, if such evidence is not furnished to the Trustee, the Trustee may defer any payment to such Person pending such evidence being furnished to the Trustee or a judicial determination that such Person has the right to receive such payment.

Section 11.07 Trustee Knowledge of Senior Indebtedness.

Notwithstanding the provisions of this Article XI or any other provisions of this Indenture or any other supplemental indenture issued in accordance with Article VIII of this Indenture, neither the Trustee nor any Paying Agent will be charged with knowledge of the existence of any Senior Indebtedness or of any event that would prohibit the making of any payment of moneys to or by the Trustee or such Paying Agent, unless and until a Responsible Officer of the Trustee or such Paying Agent has received written notice thereof from the Company or from the holder of any Senior Indebtedness or from the representative of any such holder.

Section 11.08 Senior Indebtedness to Trustee.

The Trustee will be entitled to all of the rights set forth in this Article XI in respect of any Senior Indebtedness at any time held by it in its individual capacity to the same extent as any other holder of such Senior Indebtedness, and nothing in this Indenture or any other supplemental indenture issued in accordance with Article VIII of this Indenture will be construed to deprive the Trustee of any of its rights as such holder.

Section 11.09 Subordination Not Applicable to Trustee Compensation.

Nothing contained in this Article XI will apply to the claims of, or payments to, the Trustee under Section 5.07 of this Indenture.

The Trustee hereby accepts the trusts in this Indenture upon the terms and conditions set forth herein.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly signed as of the date first written above.

LIMESTONE BANCORP, INC.

By: /s/ John T. Taylor
Name: John T. Taylor
Title: President and
Chief Executive Officer

WILMINGTON TRUST, NATIONAL ASSOCIATION,
As Trustee

By: /s/ Michael H. Wass
Name: Michael H. Wass
Title: Vice President

EXHIBIT A-1

SUBORDINATED NOTE CERTIFICATE

LIMESTONE BANCORP, INC.

**5.75% FIXED-TO-FLOATING RATE SUBORDINATED NOTE
DUE JULY 31, 2029**

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT (A) PURSUANT TO, AND IN ACCORDANCE WITH, A REGISTRATION STATEMENT THAT IS EFFECTIVE UNDER THE SECURITIES ACT AT THE TIME OF SUCH TRANSFER; (B) TO A PERSON THAT YOU REASONABLY BELIEVE TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR TO A PERSON THAT YOU REASONABLY BELIEVE TO BE AN INSTITUTIONAL ACCREDITED INVESTOR AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT; OR (C) UNDER ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (INCLUDING, IF AVAILABLE, THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT).

THIS SUBORDINATED NOTE IS A GLOBAL SUBORDINATED NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF CEDE & CO AS NOMINEE OF THE DEPOSITORY TRUST COMPANY ("DTC") OR A NOMINEE OF DTC. THIS SUBORDINATED NOTE IS EXCHANGEABLE FOR SUBORDINATED NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN DTC OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SUBORDINATED NOTE (OTHER THAN A TRANSFER OF THIS SUBORDINATED NOTE AS A WHOLE BY DTC TO A NOMINEE OF DTC OR BY A NOMINEE OF DTC TO DTC OR ANOTHER NOMINEE OF DTC) MAY BE REGISTERED EXCEPT IN LIMITED CIRCUMSTANCES SPECIFIED IN THE INDENTURE.

UNLESS THIS SUBORDINATED NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SUBORDINATED NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO, OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO, OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS SUBORDINATED NOTE WILL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS SUBORDINATED NOTE WILL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH RESTRICTIONS SET FORTH IN THE INDENTURE IDENTIFIED HEREIN.

THE SECURITY AND THE OBLIGATIONS OF THE COMPANY AS EVIDENCED BY THIS SUBORDINATED NOTE (1) ARE NOT A DEPOSIT AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY OR FUND AND (2) ARE SUBORDINATE IN THE RIGHT OF PAYMENT TO ALL SENIOR INDEBTEDNESS (AS DEFINED IN THE INDENTURE IDENTIFIED HEREIN).

CERTAIN ERISA CONSIDERATIONS:

THE HOLDER OF THIS SUBORDINATED NOTE, OR ANY INTEREST HEREIN, BY ITS ACCEPTANCE HEREOF OR THEREOF AGREES, REPRESENTS AND WARRANTS THAT IT IS NOT AN EMPLOYEE BENEFIT PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER PLAN OR ARRANGEMENT SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") (EACH A "PLAN"), OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY PLAN'S INVESTMENT IN THE ENTITY, AND NO PERSON INVESTING "PLAN ASSETS" OF ANY PLAN MAY ACQUIRE OR HOLD THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN, UNLESS SUCH PURCHASER OR HOLDER IS ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER U.S. DEPARTMENT OF LABOR PROHIBITED TRANSACTION CLASS EXEMPTION 96-23, 95-60, 91-38, 90-1 OR 84-14 OR ANOTHER APPLICABLE EXEMPTION OR ITS PURCHASE AND HOLDING OF THIS SUBORDINATED NOTE, OR ANY INTEREST HEREIN, ARE NOT PROHIBITED BY SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE WITH RESPECT TO SUCH PURCHASE AND HOLDING. ANY PURCHASER OR HOLDER OF THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED BY ITS PURCHASE AND HOLDING THEREOF THAT EITHER: (i) IT IS NOT AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN TO WHICH TITLE I OF ERISA OR SECTION 4975 OF THE CODE IS APPLICABLE, A TRUSTEE OR OTHER PERSON ACTING ON BEHALF OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLANS, OR ANY OTHER PERSON OR ENTITY USING THE "PLAN ASSETS" OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN TO FINANCE SUCH PURCHASE OR (ii) SUCH PURCHASE OR HOLDING WILL NOT RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE FOR WHICH FULL EXEMPTIVE RELIEF IS NOT AVAILABLE UNDER APPLICABLE STATUTORY OR ADMINISTRATIVE EXEMPTION.

ANY FIDUCIARY OF ANY PLAN WHO IS CONSIDERING THE ACQUISITION OF THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN SHOULD CONSULT WITH HIS OR HER LEGAL COUNSEL PRIOR TO ACQUIRING THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN.

LIMESTONE BANCORP, INC.

5.75% FIXED-TO-FLOATING RATE SUBORDINATED NOTE DUE 2029

THIS OBLIGATION IS NOT A DEPOSIT AND IS NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY OR FUND.

1. **Indenture: Holders.** This Subordinated Note is one of a duly authorized issue of notes of Limestone Bancorp, Inc., a Kentucky corporation (the “Company”), designated as the “5.75% Fixed-to-Floating Rate Subordinated Notes due 2029” (the “Subordinated Notes”) in an aggregate principal amount of \$17,000,000 and initially issued on July 23, 2019. The Company has issued this Subordinated Note under that certain Indenture dated as of July 23, 2019, as the same may be amended or supplemented from time to time (“Indenture”), between the Company and Wilmington Trust, National Association, as Trustee. All capitalized terms not otherwise defined in this Subordinated Note will have the meanings assigned to them in the Indenture. The terms of this Subordinated Note include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”). This Subordinated Note is subject to all such terms, and the Holder (as defined below) is referred to the Indenture and the Trust Indenture Act for a statement of such terms. To the extent any provision of this Subordinated Note irreconcilably conflicts with the express provisions of the Indenture, the provisions of the Indenture will govern and be controlling.

Payment. The Company, for value received, promises to pay to Cede & Co., or its registered assigns (the “Holder”), as nominee of The Depository Trust Company, the principal sum of [●] MILLION DOLLARS (U.S.) [(S●)], plus accrued but unpaid interest on July 31, 2029 (“Stated Maturity”) and to pay interest thereon (i) from and including the original issue date of the Subordinated Notes to but excluding July 31, 2024, at the rate of 5.75% per annum, computed on the basis of a 360-day year consisting of twelve 30-day months and payable semi-annually in arrears on January 31 and July 31 of each year (each, a “Fixed Interest Payment Date”), beginning January 31, 2020 and ending on July 31, 2024, and (ii) from and including July 31, 2024 to but excluding the Stated Maturity or the early redemption date contemplated by Section 5 of this Subordinated Note, at the rate per annum, reset quarterly, equal to Three-Month LIBOR determined on the LIBOR Determination Date (as defined below) of the applicable Interest Period plus 395 basis points, computed on the basis of a 360-day year and the actual number of days elapsed and payable quarterly in arrears on January 31, April 30, July 31 and October 31 of each year (each, a “Floating Interest Payment Date”). An “Interest Payment Date” is either a Fixed Interest Payment Date or a Floating Interest Payment Date, as applicable. “Three-Month LIBOR” means, for any Interest Period, the offered rate for deposits in U.S. dollars having a maturity of three months that appears on the Designated LIBOR Page as of 11:00 a.m., London time, on the LIBOR Determination Date related to such Interest Period. If such rate does not appear on such page at such time, then the Calculation Agent will request the principal London office of each of four major reference banks in the London interbank market, selected by the Company for this purpose and whose names and contact information will be provided by the Company to the Calculation Agent, to provide such bank’s offered quotation to prime banks in the London interbank market for deposits in U.S. dollars with a term of three months as of 11:00 a.m., London time, on such Determination Date and in a principal amount equal to an amount for a single transaction in U.S. dollars in the relevant market at the relevant time as determined by the Company and provided to the Calculation Agent (a “Representative Amount”). If at least two such quotations are so provided, Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, the Calculation Agent will request each of three major banks in the City of New York selected by the Company for this purpose and whose names and contact information will be provided by the Company to the Calculation Agent, to provide such bank’s rate for loans in U.S. dollars to leading European banks with a term of three months as of approximately 11:00 a.m., New York City time, on such LIBOR Determination Date and in a Representative Amount. If at least two such rates are so provided, Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two such rates are so provided, then Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be set to equal the Three-Month LIBOR for the immediately preceding Interest Period. All percentages used in or resulting from any calculation of Three-Month LIBOR will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005% rounded up to 0.00001%. Notwithstanding the foregoing, in the event that Three-Month LIBOR as determined in accordance with this definition is less than zero, Three-Month LIBOR for such Interest Period shall be deemed to be zero.

In addition, if the Calculation Agent determines that Three-Month LIBOR is not published on the Designated LIBOR Page, then the Company may determine and provide to the Calculation Agent in writing whether to calculate the relevant interest rate using a substitute or successor base rate that the Company has determined in its sole discretion is most comparable to Three-Month LIBOR or is an industry-accepted substitute or successor base rate, and the Calculation Agent will use that substitute or successor base rate as directed by the Company in writing. If a substitute or successor base rate has been determined in accordance with the foregoing, the Company in its sole discretion may determine what business day convention to use, the definition of business day, the Determination Date to be used and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to Three-Month LIBOR, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate.

For purposes hereof:

“Designated LIBOR Page” means the display on Bloomberg Page BBAM1 (or any successor or substitute page of such service, or any successor to such service selected by the Company), for the purpose of displaying the London interbank rates for U.S. dollar deposits of major banks.

“LIBOR Administrator” means, collectively, the ICE Benchmark Administration Limited (“ICE”) or its successor, or such other entity assuming the responsibility of ICE or its successor in calculating London inter-bank offered rates in the event ICE or its successor no longer does so.

“LIBOR Determination Date” means the second London Banking Day (as defined below) immediately preceding the first day of the relevant Interest Period.

“London Banking Day” means any day on which commercial banks are open for business (including dealings in deposits in US dollars) in London, England.

Any payment of principal of or interest on this Subordinated Note that would otherwise become due and payable on a day which is not a Business Day will become due and payable on the next succeeding Business Day, with the same force and effect as if made on the date for payment of such principal or interest, and no interest will accrue in respect of such payment for the period after such day.

The Company will pay interest on this Subordinated Note to the Person who is the registered Holder at the close of business on the fifteenth calendar day prior to the applicable Interest Payment Date, except as provided in Section 2.10 of the Indenture with respect to Defaulted Interest. This Subordinated Note will be payable as to principal and interest at the office or agency of the Paying Agent, or, at the option of the Company, payment of interest may be made by check delivered to the Holder at its address set forth in the Subordinated Note Register or by wire transfer to an account appropriately designated by the Person entitled to payment; provided, that the Paying Agent will have received written notice of such account designation at least five Business Days prior to the date of such payment (subject to surrender of this Subordinated Note in the case of a payment of interest at Maturity).

2. Paying Agent and Registrar. Wilmington Trust, National Association, a national banking association, the Trustee (“Trustee”) under the Indenture, will act as the initial Paying Agent and Registrar through its offices presently located at 1100 North Market Street, Wilmington, DE 19890. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

3. Subordination. The indebtedness of the Company evidenced by this Subordinated Note, including the principal thereof and interest thereon, is, to the extent and in the manner set forth in the Indenture, subordinate and junior in right of payment and upon the Company’s liquidation to obligations of the Company constituting the Senior Indebtedness (as defined in the Indenture) on the terms and subject to the terms and conditions as provided and set forth in Article XI of the Indenture and will rank *pari passu* in right of payment and upon the Company’s liquidation with the Company’s existing and all future indebtedness the terms of which provide that such indebtedness ranks equally with promissory notes, bonds, debentures and other evidences of indebtedness of types that include the Subordinated Notes. Holder, by the acceptance of this Subordinated Note, agrees to and will be bound by such provisions of the Indenture and authorizes and directs the Trustee on his behalf to take such actions as may be necessary or appropriate to effectuate the subordination so provided.

4. Redemption.

(a) The Company may, at its option, on any Interest Payment Date on or after July 31, 2024, redeem this Subordinated Note, in whole or in part, without premium or penalty, but in all cases in a principal amount in minimum denominations of \$2,000 and any integral multiples of \$1,000 in excess thereof. In addition, the Company may redeem all, but not a portion of the Subordinated Notes, at any time upon the occurrence of a Tier 2 Capital Event, Tax Event or an Investment Company Event. Any redemption of this Subordinated Note shall be subject to the prior approval of the Board of Governors of the Federal Reserve System (or its designee) or any successor agency, and any other banking regulatory agency, to the extent such approval shall then be required by law, regulation or policy. This Subordinated Note is not subject to redemption at the option of the Holder. The Redemption Price with respect to any redemption permitted under this Indenture will be equal to 100% of the principal amount of this Subordinated Note, or portion thereof, to be redeemed, plus accrued but unpaid interest thereon to, but excluding, the Redemption Date.

(b) If less than the then outstanding principal amount of this Subordinated Note is redeemed, (i) a new note shall be issued representing the unredeemed portion without charge to the Holder thereof and (ii) such redemption shall be effected on a pro rata basis as to the Holders. For purposes of clarity, upon a partial redemption, a like percentage of the principal amount of every Subordinated Note held by every Holder shall be redeemed.

(c) Effectiveness of Redemption. If notice of redemption has been duly given and notwithstanding that any Subordinated Notes so called for redemption have not been surrendered for cancellation, on and after the Redemption Date interest shall cease to accrue on all Subordinated Notes so called for redemption, all Subordinated Notes so called for redemption shall no longer be deemed outstanding and all rights with respect to such Subordinated Notes shall forthwith on such Redemption Date cease and terminate (unless the Company shall default in the payment of the redemption price), except only the right of the Holder thereof to receive the amount payable on such redemption, without interest.

5. Events of Default: Acceleration. An “Event of Default” means any one of the events described in Section 4.01 of the Indenture. If an Event of Default described in Section 4.01(1) or Section 4.01(2) of the Indenture occurs, then the principal amount of all of the Outstanding Subordinated Notes, and accrued and unpaid interest, if any, on all Outstanding Subordinated Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or the Holder, and the Company waives demand, presentment for payment, notice of nonpayment, notice of protest, and all other notices. Notwithstanding the foregoing, because the Company will treat the Subordinated Notes as Tier 2 Capital, upon the occurrence of an Event of Default other than an Event of Default described in Section 4.01(1) or Section 4.01(2) of the Indenture, neither the Trustee nor the Holder may accelerate the Maturity of the Subordinated Notes and make the principal of, and any accrued and unpaid interest on, the Subordinated Notes, immediately due and payable. If any Event of Default occurs and is continuing, the Trustee may also pursue any other available remedy to collect the payment of principal of, and interest on, the Subordinated Notes then due and payable or to enforce the performance of any provision of the Subordinated Notes or the Indenture.

6. Failure to Make Payments. If the Company fails to make any payment of interest on this Subordinated Note when such interest becomes due and payable and such default continues for a period of 30 days, or if the Company fails to make any payment of the principal of this Subordinated Note when such principal becomes due and payable, the Company will, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holder, the whole amount then due and payable with respect to this Subordinated Note, with interest upon the overdue principal, any premium and, to the extent permitted by applicable law, upon any overdue installments of interest at the rate or respective rates, as the case may be, provided for or with respect to this Subordinated Note or, if no such rate or rates are so provided, at the rate or respective rates, as the case may be, of interest borne by this Subordinated Note.

Upon an Event of Default, the Company may not declare or pay any dividends or distributions on, or redeem, purchase, acquire, or make a liquidation payment with respect to, any of the Company's capital stock, make any payment of principal or interest or premium, if any, on or repay, repurchase or redeem any debt securities of the Company that rank equal with or junior to this Subordinated Note, or make any payments under any guarantee that ranks equal with or junior to this Subordinated Note, other than: (i) any dividends or distributions in shares of, or options, warrants or rights to subscribe for or purchase shares of, any class of Company's common stock; (ii) any declaration of a dividend in connection with the implementation of a shareholders' rights plan, or the issuance of stock under any such plan in the future, or the redemption or repurchase of any such rights pursuant thereto; (iii) as a result of a reclassification of Company's capital stock or the exchange or conversion of one class or series of Company's capital stock for another class or series of Company's capital stock; (iv) the purchase of fractional interests in shares of Company's capital stock in accordance with the conversion or exchange provisions of such capital stock or the security being converted or exchanged; or (v) purchases of any class of Company's common stock related to the issuance of common stock or rights under any benefit plans for Company's directors, officers or employees or any of Company's dividend reinvestment plans.

7. Denominations, Transfer, Exchange. The Subordinated Notes are issuable only in registered form without interest coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The transfer of this Subordinated Note may be registered and this Subordinated Note may be exchanged as provided in the Indenture. The Registrar may require the Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require the Holder to pay any taxes and fees required by law or permitted by the Indenture.

8. Charges and Transfer Taxes. No service charge will be made for any registration of transfer or exchange of this Subordinated Note, or any redemption or repayment of this Subordinated Note, or any conversion or exchange of this Subordinated Note for other types of securities or property, but the Company may require payment of a sum sufficient to pay all taxes, assessments or other governmental charges that may be imposed in connection with the transfer or exchange of this Subordinated Note from the Holder requesting such transfer or exchange.

9. Persons Deemed Owners. The Company and the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Subordinated Note is registered as the owner hereof for all purposes, whether or not this Subordinated Note is overdue, and neither the Company, the Trustee nor any such agent will be affected by notice to the contrary.

10. Amendments; Waivers. The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Subordinated Notes at any time by the Company and the Trustee with the consent of the holders of a majority in principal amount of the then Outstanding Subordinated Notes. The Indenture also contains provisions permitting the holders of specified percentages in principal amount of the then Outstanding Subordinated Notes, on behalf of the holders of all Subordinated Notes, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Subordinated Note will be conclusive and binding upon such Holder and upon all future holders of this Subordinated Note and of any Subordinated Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Subordinated Note.

11. No Impairment. No reference herein to the Indenture and no provision of this Subordinated Note or of the Indenture will alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest (if any) on this Subordinated Note at the times, place and rate as herein prescribed.

12. Sinking Fund; Convertibility. This Subordinated Note is not entitled to the benefit of any sinking fund. This Subordinated Note is not convertible into or exchangeable for any of the equity securities, other securities or assets of the Company or any Subsidiary.

13. No Recourse Against Others. No recourse under or upon any obligation, covenant or agreement contained in the Indenture or in this Subordinated Note, or for any claim based thereon or otherwise in respect thereof, will be had against any past, present or future shareholder, employee, officer, or director, as such, of the Company or of any predecessor or successor, either directly or through the Company or any predecessor or successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of this Subordinated Note by the Holder and as part of the consideration for the issuance of this Subordinated Note.

14. Authentication. This Subordinated Note will not be valid until authenticated by the manual signature of the Trustee or an Authenticating Agent.

15. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian), and U/G/M/A (= Uniform Gifts to Minors Act). Additional abbreviations may also be used though not in the above list.

16. Available Information. The Company will furnish to the Holder upon written request and without charge a copy of the Indenture. Requests by Holder to the Company may be made to: Limestone Bancorp, Inc., 2500 Eastpoint Parkway, Louisville, Kentucky 40223 Attention: Chief Financial Officer.

17. Governing Law. THIS SUBORDINATED NOTE WILL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK AND WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ANY LAWS OR PRINCIPLES OF CONFLICT OF LAWS THAT WOULD APPLY THE LAWS OF A DIFFERENT JURISDICTION.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Subordinated Note to be duly executed.

Dated: July __, 2019

LIMESTONE BANCORP, INC.

By: _____
Name: John T. Taylor
Title: President and Chief Executive Officer

[Signature Page to Subordinated Note]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Subordinated Notes of Limestone Bancorp, Inc., referred to in the within-mentioned Indenture:

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:
Date:

ASSIGNMENT FORM

To assign this Subordinated Note, fill in the form below: (I) or (we) assign and transfer this Subordinated Note to:

(Print or type assignee's name, address and zip code)

(Insert assignee's social security or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Subordinated Note on the books of the Company. The agent may substitute another to act for him.

Date: _____ Your signature: _____
(Sign exactly as your name appears on the face of this Subordinated Note)

Tax Identification No: _____

Signature Guarantee: _____
(Signatures must be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to Exchange Act Rule 17Ad-15).

The undersigned certifies that it [is / is not] an Affiliate of the Company and that, to its knowledge, the proposed transferee [is / is not] an Affiliate of the Company.

In connection with any transfer or exchange of this Subordinated Note occurring prior to the date that is one year after the later of the date of original issuance of this Subordinated Note and the last date, if any, on which this Subordinated Note was owned by the Company or any Affiliate of the Company, the undersigned confirms that this Subordinated Note is being:

CHECK ONE BOX BELOW:

- (1) acquired for the undersigned's own account, without transfer;
- (2) transferred to the Company;
- (3) transferred in accordance and in compliance with Rule 144A under the Securities Act of 1933, as amended (the "Securities Act");
- (4) transferred under an effective registration statement under the Securities Act;

- (5) transferred in accordance with and in compliance with Regulation S under the Securities Act;
- (6) transferred to an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) or an "accredited investor" (as defined in Rule 501(a)(4) under the Securities Act), that has furnished a signed letter containing certain representation's and agreements; or
- (7) transferred in accordance with another available exemption from the registration requirements of the Securities Act of 1933, as amended.

Unless one of the boxes is checked, the Paying Agent will refuse to register this Subordinated Note in the name of any person other than the registered Holder thereof; provided, however, that if box (5), (6) or (7) is checked, the Paying Agent may require, prior to registering any such transfer of this Subordinated Note, in its sole discretion, such legal opinions, certifications and other information as the Paying Agent may reasonably request to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act such as the exemption provided by Rule 144 under such Act.

Signature: _____

Signature Guarantee: _____
(Signatures must be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to Exchange Act Rule 17Ad-15).

TO BE COMPLETED BY PURCHASER IF BOX (1) OR (3) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Subordinated Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Date: _____ Signature: _____

EXHIBIT A-2

SUBORDINATED NOTE CERTIFICATE

LIMESTONE BANCORP, INC.

**5.75% FIXED-TO-FLOATING RATE SUBORDINATED NOTE
DUE JULY 31, 2029**

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT (A) PURSUANT TO, AND IN ACCORDANCE WITH, A REGISTRATION STATEMENT THAT IS EFFECTIVE UNDER THE SECURITIES ACT AT THE TIME OF SUCH TRANSFER; (B) TO A PERSON THAT YOU REASONABLY BELIEVE TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR TO A PERSON THAT YOU REASONABLY BELIEVE TO BE AN INSTITUTIONAL ACCREDITED INVESTOR AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT; OR (C) UNDER ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (INCLUDING, IF AVAILABLE, THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT).

THIS SUBORDINATED NOTE IS A GLOBAL SUBORDINATED NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF CEDE & CO AS NOMINEE OF THE DEPOSITORY TRUST COMPANY ("DTC") OR A NOMINEE OF DTC. THIS SUBORDINATED NOTE IS EXCHANGEABLE FOR SUBORDINATED NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN DTC OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SUBORDINATED NOTE (OTHER THAN A TRANSFER OF THIS SUBORDINATED NOTE AS A WHOLE BY DTC TO A NOMINEE OF DTC OR BY A NOMINEE OF DTC TO DTC OR ANOTHER NOMINEE OF DTC) MAY BE REGISTERED EXCEPT IN LIMITED CIRCUMSTANCES SPECIFIED IN THE INDENTURE.

UNLESS THIS SUBORDINATED NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SUBORDINATED NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO, OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS SUBORDINATED NOTE WILL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS SUBORDINATED NOTE WILL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH RESTRICTIONS SET FORTH IN THE INDENTURE IDENTIFIED HEREIN.

THE SECURITY AND THE OBLIGATIONS OF THE COMPANY AS EVIDENCED BY THIS SUBORDINATED NOTE (1) ARE NOT A DEPOSIT AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY OR FUND AND (2) ARE SUBORDINATE IN THE RIGHT OF PAYMENT TO ALL SENIOR INDEBTEDNESS (AS DEFINED IN THE INDENTURE IDENTIFIED HEREIN).

CERTAIN ERISA CONSIDERATIONS:

THE HOLDER OF THIS SUBORDINATED NOTE, OR ANY INTEREST HEREIN, BY ITS ACCEPTANCE HEREOF OR THEREOF AGREES, REPRESENTS AND WARRANTS THAT IT IS NOT AN EMPLOYEE BENEFIT PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER PLAN OR ARRANGEMENT SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") (EACH A "PLAN"), OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY PLAN'S INVESTMENT IN THE ENTITY, AND NO PERSON INVESTING "PLAN ASSETS" OF ANY PLAN MAY ACQUIRE OR HOLD THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN, UNLESS SUCH PURCHASER OR HOLDER IS ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER U.S. DEPARTMENT OF LABOR PROHIBITED TRANSACTION CLASS EXEMPTION 96-23, 95-60, 91-38, 90-1 OR 84-14 OR ANOTHER APPLICABLE EXEMPTION OR ITS PURCHASE AND HOLDING OF THIS SUBORDINATED NOTE, OR ANY INTEREST HEREIN, ARE NOT PROHIBITED BY SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE WITH RESPECT TO SUCH PURCHASE AND HOLDING. ANY PURCHASER OR HOLDER OF THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED BY ITS PURCHASE AND HOLDING THEREOF THAT EITHER: (i) IT IS NOT AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN TO WHICH TITLE I OF ERISA OR SECTION 4975 OF THE CODE IS APPLICABLE, A TRUSTEE OR OTHER PERSON ACTING ON BEHALF OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLANS, OR ANY OTHER PERSON OR ENTITY USING THE "PLAN ASSETS" OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN TO FINANCE SUCH PURCHASE OR (ii) SUCH PURCHASE OR HOLDING WILL NOT RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE FOR WHICH FULL EXEMPTIVE RELIEF IS NOT AVAILABLE UNDER APPLICABLE STATUTORY OR ADMINISTRATIVE EXEMPTION.

ANY FIDUCIARY OF ANY PLAN WHO IS CONSIDERING THE ACQUISITION OF THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN SHOULD CONSULT WITH HIS OR HER LEGAL COUNSEL PRIOR TO ACQUIRING THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN.

LIMESTONE BANCORP, INC.

5.75% FIXED-TO-FLOATING RATE SUBORDINATED NOTE DUE 2029

THIS OBLIGATION IS NOT A DEPOSIT AND IS NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY OR FUND.

1. **Indenture: Holders.** This Subordinated Note is one of a duly authorized issue of notes of Limestone Bancorp, Inc., a Kentucky corporation (the “Company”), designated as the “5.75% Fixed-to-Floating Rate Subordinated Notes due 2029” (the “Subordinated Notes”) in an aggregate principal amount of \$17,000,000 and initially issued on July 23, 2019. The Company has issued this Subordinated Note under that certain Indenture dated as of July 23, 2019, as the same may be amended or supplemented from time to time (“Indenture”), between the Company and Wilmington Trust, National Association, as Trustee. All capitalized terms not otherwise defined in this Subordinated Note will have the meanings assigned to them in the Indenture. The terms of this Subordinated Note include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”). This Subordinated Note is subject to all such terms, and the Holder (as defined below) is referred to the Indenture and the Trust Indenture Act for a statement of such terms. To the extent any provision of this Subordinated Note irreconcilably conflicts with the express provisions of the Indenture, the provisions of the Indenture will govern and be controlling.

Payment. The Company, for value received, promises to pay to Cede & Co., or its registered assigns (the “Holder”), as nominee of The Depository Trust Company, the principal sum of [●] MILLION DOLLARS (U.S.) [(S●)], plus accrued but unpaid interest on July 31, 2029 (“Stated Maturity”) and to pay interest thereon (i) from and including the original issue date of the Subordinated Notes to but excluding July 31, 2024, at the rate of 5.75% per annum, computed on the basis of a 360-day year consisting of twelve 30-day months and payable semi-annually in arrears on January 31 and July 31 of each year (each, a “Fixed Interest Payment Date”), beginning January 31, 2020 and ending on July 31, 2024, and (ii) from and including July 31, 2024 to but excluding the Stated Maturity or the early redemption date contemplated by Section 5 of this Subordinated Note, at the rate per annum, reset quarterly, equal to Three-Month LIBOR determined on the LIBOR Determination Date (as defined below) of the applicable Interest Period plus 395 basis points, computed on the basis of a 360-day year and the actual number of days elapsed and payable quarterly in arrears on January 31, April 30, July 31 and October 31 of each year (each, a “Floating Interest Payment Date”). An “Interest Payment Date” is either a Fixed Interest Payment Date or a Floating Interest Payment Date, as applicable. “Three-Month LIBOR” means, for any Interest Period, the offered rate for deposits in U.S. dollars having a maturity of three months that appears on the Designated LIBOR Page as of 11:00 a.m., London time, on the LIBOR Determination Date related to such Interest Period. If such rate does not appear on such page at such time, then the Calculation Agent will request the principal London office of each of four major reference banks in the London interbank market, selected by the Company for this purpose and whose names and contact information will be provided by the Company to the Calculation Agent, to provide such bank’s offered quotation to prime banks in the London interbank market for deposits in U.S. dollars with a term of three months as of 11:00 a.m., London time, on such Determination Date and in a principal amount equal to an amount for a single transaction in U.S. dollars in the relevant market at the relevant time as determined by the Company and provided to the Calculation Agent (a “Representative Amount”). If at least two such quotations are so provided, Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, the Calculation Agent will request each of three major banks in the City of New York selected by the Company for this purpose and whose names and contact information will be provided by the Company to the Calculation Agent, to provide such bank’s rate for loans in U.S. dollars to leading European banks with a term of three months as of approximately 11:00 a.m., New York City time, on such LIBOR Determination Date and in a Representative Amount. If at least two such rates are so provided, Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two such rates are so provided, then Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be set to equal the Three-Month LIBOR for the immediately preceding Interest Period. All percentages used in or resulting from any calculation of Three-Month LIBOR will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005% rounded up to 0.00001%. Notwithstanding the foregoing, in the event that Three-Month LIBOR as determined in accordance with this definition is less than zero, Three-Month LIBOR for such Interest Period shall be deemed to be zero.

In addition, if the Calculation Agent determines that Three-Month LIBOR is not published on the Designated LIBOR Page, then the Company may determine and provide to the Calculation Agent in writing whether to calculate the relevant interest rate using a substitute or successor base rate that the Company has determined in its sole discretion is most comparable to Three-Month LIBOR or is an industry-accepted substitute or successor base rate, and the Calculation Agent will use that substitute or successor base rate as directed by the Company in writing. If a substitute or successor base rate has been determined in accordance with the foregoing, the Company in its sole discretion may determine what business day convention to use, the definition of business day, the Determination Date to be used and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to Three-Month LIBOR, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate.

For purposes hereof:

“Designated LIBOR Page” means the display on Bloomberg Page BBAM1 (or any successor or substitute page of such service, or any successor to such service selected by the Company), for the purpose of displaying the London interbank rates for U.S. dollar deposits of major banks.

“LIBOR Administrator” means, collectively, the ICE Benchmark Administration Limited (“ICE”) or its successor, or such other entity assuming the responsibility of ICE or its successor in calculating London inter-bank offered rates in the event ICE or its successor no longer does so.

“LIBOR Determination Date” means the second London Banking Day (as defined below) immediately preceding the first day of the relevant Interest Period.

“London Banking Day” means any day on which commercial banks are open for business (including dealings in deposits in US dollars) in London, England.

Any payment of principal of or interest on this Subordinated Note that would otherwise become due and payable on a day which is not a Business Day will become due and payable on the next succeeding Business Day, with the same force and effect as if made on the date for payment of such principal or interest, and no interest will accrue in respect of such payment for the period after such day.

The Company will pay interest on this Subordinated Note to the Person who is the registered Holder at the close of business on the fifteenth calendar day prior to the applicable Interest Payment Date, except as provided in Section 2.10 of the Indenture with respect to Defaulted Interest. This Subordinated Note will be payable as to principal and interest at the office or agency of the Paying Agent, or, at the option of the Company, payment of interest may be made by check delivered to the Holder at its address set forth in the Subordinated Note Register or by wire transfer to an account appropriately designated by the Person entitled to payment; provided, that the Paying Agent will have received written notice of such account designation at least five Business Days prior to the date of such payment (subject to surrender of this Subordinated Note in the case of a payment of interest at Maturity).

2. Paying Agent and Registrar. Wilmington Trust, National Association, a national banking association, the Trustee ("Trustee") under the Indenture, will act as the initial Paying Agent and Registrar through its offices presently located at 1100 North Market Street, Wilmington, DE 19890. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

3. Subordination. The indebtedness of the Company evidenced by this Subordinated Note, including the principal thereof and interest thereon, is, to the extent and in the manner set forth in the Indenture, subordinate and junior in right of payment and upon the Company's liquidation to obligations of the Company constituting the Senior Indebtedness (as defined in the Indenture) on the terms and subject to the terms and conditions as provided and set forth in Article XI of the Indenture and will rank *pari passu* in right of payment and upon the Company's liquidation with the Company's existing and all future indebtedness the terms of which provide that such indebtedness ranks equally with promissory notes, bonds, debentures and other evidences of indebtedness of types that include the Subordinated Notes. Holder, by the acceptance of this Subordinated Note, agrees to and will be bound by such provisions of the Indenture and authorizes and directs the Trustee on his behalf to take such actions as may be necessary or appropriate to effectuate the subordination so provided.

4. Redemption.

(a) The Company may, at its option, on any Interest Payment Date on or after July 31, 2024, redeem this Subordinated Note, in whole or in part, without premium or penalty, but in all cases in a principal amount in minimum denominations of \$2,000 and any integral multiples of \$1,000 in excess thereof. In addition, the Company may redeem all, but not a portion of the Subordinated Notes, at any time upon the occurrence of a Tier 2 Capital Event, Tax Event or an Investment Company Event. Any redemption of this Subordinated Note shall be subject to the prior approval of the Board of Governors of the Federal Reserve System (or its designee) or any successor agency, and any other banking regulatory agency, to the extent such approval shall then be required by law, regulation or policy. This Subordinated Note is not subject to redemption at the option of the Holder. The Redemption Price with respect to any redemption permitted under this Indenture will be equal to 100% of the principal amount of this Subordinated Note, or portion thereof, to be redeemed, plus accrued but unpaid interest thereon to, but excluding, the Redemption Date.

(b) If less than the then outstanding principal amount of this Subordinated Note is redeemed, (i) a new note shall be issued representing the unredeemed portion without charge to the Holder thereof and (ii) such redemption shall be effected on a pro rata basis as to the Holders. For purposes of clarity, upon a partial redemption, a like percentage of the principal amount of every Subordinated Note held by every Holder shall be redeemed.

(c) Effectiveness of Redemption. If notice of redemption has been duly given and notwithstanding that any Subordinated Notes so called for redemption have not been surrendered for cancellation, on and after the Redemption Date interest shall cease to accrue on all Subordinated Notes so called for redemption, all Subordinated Notes so called for redemption shall no longer be deemed outstanding and all rights with respect to such Subordinated Notes shall forthwith on such Redemption Date cease and terminate (unless the Company shall default in the payment of the redemption price), except only the right of the Holder thereof to receive the amount payable on such redemption, without interest.

5. Events of Default: Acceleration. An “Event of Default” means any one of the events described in Section 4.01 of the Indenture. If an Event of Default described in Section 4.01(1) or Section 4.01(2) of the Indenture occurs, then the principal amount of all of the Outstanding Subordinated Notes, and accrued and unpaid interest, if any, on all Outstanding Subordinated Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or the Holder, and the Company waives demand, presentment for payment, notice of nonpayment, notice of protest, and all other notices. Notwithstanding the foregoing, because the Company will treat the Subordinated Notes as Tier 2 Capital, upon the occurrence of an Event of Default other than an Event of Default described in Section 4.01(1) or Section 4.01(2) of the Indenture, neither the Trustee nor the Holder may accelerate the Maturity of the Subordinated Notes and make the principal of, and any accrued and unpaid interest on, the Subordinated Notes, immediately due and payable. If any Event of Default occurs and is continuing, the Trustee may also pursue any other available remedy to collect the payment of principal of, and interest on, the Subordinated Notes then due and payable or to enforce the performance of any provision of the Subordinated Notes or the Indenture.

6. Failure to Make Payments. If the Company fails to make any payment of interest on this Subordinated Note when such interest becomes due and payable and such default continues for a period of 30 days, or if the Company fails to make any payment of the principal of this Subordinated Note when such principal becomes due and payable, the Company will, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holder, the whole amount then due and payable with respect to this Subordinated Note, with interest upon the overdue principal, any premium and, to the extent permitted by applicable law, upon any overdue installments of interest at the rate or respective rates, as the case may be, provided for or with respect to this Subordinated Note or, if no such rate or rates are so provided, at the rate or respective rates, as the case may be, of interest borne by this Subordinated Note.

Upon an Event of Default, the Company may not declare or pay any dividends or distributions on, or redeem, purchase, acquire, or make a liquidation payment with respect to, any of the Company's capital stock, make any payment of principal or interest or premium, if any, on or repay, repurchase or redeem any debt securities of the Company that rank equal with or junior to this Subordinated Note, or make any payments under any guarantee that ranks equal with or junior to this Subordinated Note, other than: (i) any dividends or distributions in shares of, or options, warrants or rights to subscribe for or purchase shares of, any class of Company's common stock; (ii) any declaration of a dividend in connection with the implementation of a shareholders' rights plan, or the issuance of stock under any such plan in the future, or the redemption or repurchase of any such rights pursuant thereto; (iii) as a result of a reclassification of Company's capital stock or the exchange or conversion of one class or series of Company's capital stock for another class or series of Company's capital stock; (iv) the purchase of fractional interests in shares of Company's capital stock in accordance with the conversion or exchange provisions of such capital stock or the security being converted or exchanged; or (v) purchases of any class of Company's common stock related to the issuance of common stock or rights under any benefit plans for Company's directors, officers or employees or any of Company's dividend reinvestment plans.

7. Denominations, Transfer, Exchange. The Subordinated Notes are issuable only in registered form without interest coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The transfer of this Subordinated Note may be registered and this Subordinated Note may be exchanged as provided in the Indenture. The Registrar may require the Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require the Holder to pay any taxes and fees required by law or permitted by the Indenture.

8. Charges and Transfer Taxes. No service charge will be made for any registration of transfer or exchange of this Subordinated Note, or any redemption or repayment of this Subordinated Note, or any conversion or exchange of this Subordinated Note for other types of securities or property, but the Company may require payment of a sum sufficient to pay all taxes, assessments or other governmental charges that may be imposed in connection with the transfer or exchange of this Subordinated Note from the Holder requesting such transfer or exchange.

9. Persons Deemed Owners. The Company and the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Subordinated Note is registered as the owner hereof for all purposes, whether or not this Subordinated Note is overdue, and neither the Company, the Trustee nor any such agent will be affected by notice to the contrary.

10. Amendments; Waivers. The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Subordinated Notes at any time by the Company and the Trustee with the consent of the holders of a majority in principal amount of the then Outstanding Subordinated Notes. The Indenture also contains provisions permitting the holders of specified percentages in principal amount of the then Outstanding Subordinated Notes, on behalf of the holders of all Subordinated Notes, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Subordinated Note will be conclusive and binding upon such Holder and upon all future holders of this Subordinated Note and of any Subordinated Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Subordinated Note.

11. No Impairment. No reference herein to the Indenture and no provision of this Subordinated Note or of the Indenture will alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest (if any) on this Subordinated Note at the times, place and rate as herein prescribed.

12. Sinking Fund; Convertibility. This Subordinated Note is not entitled to the benefit of any sinking fund. This Subordinated Note is not convertible into or exchangeable for any of the equity securities, other securities or assets of the Company or any Subsidiary.

13. No Recourse Against Others. No recourse under or upon any obligation, covenant or agreement contained in the Indenture or in this Subordinated Note, or for any claim based thereon or otherwise in respect thereof, will be had against any past, present or future shareholder, employee, officer, or director, as such, of the Company or of any predecessor or successor, either directly or through the Company or any predecessor or successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of this Subordinated Note by the Holder and as part of the consideration for the issuance of this Subordinated Note.

14. Authentication. This Subordinated Note will not be valid until authenticated by the manual signature of the Trustee or an Authenticating Agent.

15. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian), and U/G/M/A (= Uniform Gifts to Minors Act). Additional abbreviations may also be used though not in the above list.

16. Available Information. The Company will furnish to the Holder upon written request and without charge a copy of the Indenture. Requests by Holder to the Company may be made to: Limestone Bancorp, Inc., 2500 Eastpoint Parkway, Louisville, Kentucky 40223 Attention: Chief Financial Officer.

17. Governing Law. THIS SUBORDINATED NOTE WILL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK AND WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ANY LAWS OR PRINCIPLES OF CONFLICT OF LAWS THAT WOULD APPLY THE LAWS OF A DIFFERENT JURISDICTION.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Subordinated Note to be duly executed.

Dated: July __, 2019

LIMESTONE BANCORP, INC.

By: _____
Name: John T. Taylor
Title: President and Chief Executive Officer

[Signature Page to Subordinated Note]

A-2-10

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Subordinated Notes of Limestone Bancorp, Inc., referred to in the within-mentioned Indenture:

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:
Date:

ASSIGNMENT FORM

To assign this Subordinated Note, fill in the form below: (I) or (we) assign and transfer this Subordinated Note to:

(Print or type assignee's name, address and zip code)

(Insert assignee's social security or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Subordinated Note on the books of the Company. The agent may substitute another to act for him.

Date: _____ Your signature: _____
(Sign exactly as your name appears on the face of this Subordinated Note)

Tax Identification No: _____

Signature Guarantee: _____
(Signatures must be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to Exchange Act Rule 17Ad-15).

The undersigned certifies that it [is / is not] an Affiliate of the Company and that, to its knowledge, the proposed transferee [is / is not] an Affiliate of the Company.

In connection with any transfer or exchange of this Subordinated Note occurring prior to the date that is one year after the later of the date of original issuance of this Subordinated Note and the last date, if any, on which this Subordinated Note was owned by the Company or any Affiliate of the Company, the undersigned confirms that this Subordinated Note is being:

CHECK ONE BOX BELOW:

- (1) acquired for the undersigned's own account, without transfer;
- (2) transferred to the Company;
- (3) transferred in accordance and in compliance with Rule 144A under the Securities Act of 1933, as amended (the "Securities Act");
- (4) transferred under an effective registration statement under the Securities Act;

- (5) transferred in accordance with and in compliance with Regulation S under the Securities Act;
- (6) transferred to an institutional “accredited investor” (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) or an “accredited investor” (as defined in Rule 501(a)(4) under the Securities Act), that has furnished a signed letter containing certain representation’s and agreements; or
- (7) transferred in accordance with another available exemption from the registration requirements of the Securities Act of 1933, as amended.

Unless one of the boxes is checked, the Paying Agent will refuse to register this Subordinated Note in the name of any person other than the registered Holder thereof; provided, however, that if box (5), (6) or (7) is checked, the Paying Agent may require, prior to registering any such transfer of this Subordinated Note, in its sole discretion, such legal opinions, certifications and other information as the Paying Agent may reasonably request to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act such as the exemption provided by Rule 144 under such Act.

Signature: _____

Signature Guarantee:

 (Signatures must be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to Exchange Act Rule 17Ad-15).

TO BE COMPLETED BY PURCHASER IF BOX (1) OR (3) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Subordinated Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act of 1933, as amended, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned’s foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Date: _____ Signature: _____

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Section 4: EX-4.2 (EXHIBIT 4.2)

Exhibit 4.2

SUBORDINATED NOTE CERTIFICATE

LIMESTONE BANCORP, INC.

**5.75% FIXED-TO-FLOATING RATE SUBORDINATED NOTE
 DUE JULY 31, 2029**

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT (A) PURSUANT TO, AND IN ACCORDANCE WITH, A REGISTRATION STATEMENT THAT IS EFFECTIVE UNDER THE SECURITIES ACT AT THE TIME OF SUCH TRANSFER; (B) TO A PERSON THAT YOU REASONABLY BELIEVE TO BE A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR TO A PERSON THAT YOU REASONABLY BELIEVE TO BE AN INSTITUTIONAL ACCREDITED INVESTOR AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT; OR (C) UNDER ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (INCLUDING, IF AVAILABLE, THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT).

THIS SUBORDINATED NOTE IS A GLOBAL SUBORDINATED NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF CEDE & CO AS NOMINEE OF THE DEPOSITORY TRUST COMPANY (“DTC”) OR A NOMINEE OF DTC. THIS SUBORDINATED NOTE IS EXCHANGEABLE FOR SUBORDINATED NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN DTC OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS SUBORDINATED NOTE (OTHER THAN A TRANSFER OF THIS SUBORDINATED NOTE AS A WHOLE BY DTC TO A NOMINEE OF DTC OR BY A NOMINEE OF DTC TO DTC OR ANOTHER NOMINEE OF DTC) MAY BE REGISTERED EXCEPT IN LIMITED CIRCUMSTANCES SPECIFIED IN THE INDENTURE.

UNLESS THIS SUBORDINATED NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SUBORDINATED NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO, OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS SUBORDINATED NOTE WILL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS SUBORDINATED NOTE WILL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH RESTRICTIONS SET FORTH IN THE INDENTURE IDENTIFIED HEREIN.

THE SECURITY AND THE OBLIGATIONS OF THE COMPANY AS EVIDENCED BY THIS SUBORDINATED NOTE (1) ARE NOT A DEPOSIT AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY OR FUND AND (2) ARE SUBORDINATE IN THE RIGHT OF PAYMENT TO ALL SENIOR INDEBTEDNESS (AS DEFINED IN THE INDENTURE IDENTIFIED HEREIN).

CERTAIN ERISA CONSIDERATIONS:

THE HOLDER OF THIS SUBORDINATED NOTE, OR ANY INTEREST HEREIN, BY ITS ACCEPTANCE HEREOF OR THEREOF AGREES, REPRESENTS AND WARRANTS THAT IT IS NOT AN EMPLOYEE BENEFIT PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER PLAN OR ARRANGEMENT SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") (EACH A "PLAN"), OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY PLAN'S INVESTMENT IN THE ENTITY, AND NO PERSON INVESTING "PLAN ASSETS" OF ANY PLAN MAY ACQUIRE OR HOLD THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN, UNLESS SUCH PURCHASER OR HOLDER IS ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER U.S. DEPARTMENT OF LABOR PROHIBITED TRANSACTION CLASS EXEMPTION 96-23, 95-60, 91-38, 90-1 OR 84-14 OR ANOTHER APPLICABLE EXEMPTION OR ITS PURCHASE AND HOLDING OF THIS SUBORDINATED NOTE, OR ANY INTEREST HEREIN, ARE NOT PROHIBITED BY SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE WITH RESPECT TO SUCH PURCHASE AND HOLDING. ANY PURCHASER OR HOLDER OF THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED BY ITS PURCHASE AND HOLDING THEREOF THAT EITHER: (i) IT IS NOT AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN TO WHICH TITLE I OF ERISA OR SECTION 4975 OF THE CODE IS APPLICABLE, A TRUSTEE OR OTHER PERSON ACTING ON BEHALF OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLANS, OR ANY OTHER PERSON OR ENTITY USING THE "PLAN ASSETS" OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN TO FINANCE SUCH PURCHASE OR (ii) SUCH PURCHASE OR HOLDING WILL NOT RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE FOR WHICH FULL EXEMPTIVE RELIEF IS NOT AVAILABLE UNDER APPLICABLE STATUTORY OR ADMINISTRATIVE EXEMPTION.

ANY FIDUCIARY OF ANY PLAN WHO IS CONSIDERING THE ACQUISITION OF THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN SHOULD CONSULT WITH HIS OR HER LEGAL COUNSEL PRIOR TO ACQUIRING THIS SUBORDINATED NOTE OR ANY INTEREST HEREIN.

LIMESTONE BANCORP, INC.

5.75% FIXED-TO-FLOATING RATE SUBORDINATED NOTE DUE 2029

THIS OBLIGATION IS NOT A DEPOSIT AND IS NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY OR FUND.

1. **Indenture: Holders.** This Subordinated Note is one of a duly authorized issue of notes of Limestone Bancorp, Inc., a Kentucky corporation (the "**Company**"), designated as the "5.75% Fixed-to-Floating Rate Subordinated Notes due 2029" (the "**Subordinated Notes**") in an aggregate principal amount of \$17,000,000 and initially issued on July 23, 2019. The Company has issued this Subordinated Note under that certain Indenture dated as of July 23, 2019, as the same may be amended or supplemented from time to time ("**Indenture**"), between the Company and Wilmington Trust, National Association, as Trustee. All capitalized terms not otherwise defined in this Subordinated Note will have the meanings assigned to them in the Indenture. The terms of this Subordinated Note include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"). This Subordinated Note is subject to all such terms, and the Holder (as defined below) is referred to the Indenture and the Trust Indenture Act for a statement of such terms. To the extent any provision of this Subordinated Note irreconcilably conflicts with the express provisions of the Indenture, the provisions of the Indenture will govern and be controlling.

Payment. The Company, for value received, promises to pay to Cede & Co., or its registered assigns (the “Holder”), as nominee of The Depository Trust Company, the principal sum of [●] MILLION DOLLARS (U.S.) [(S●)], plus accrued but unpaid interest on July 31, 2029 (“Stated Maturity”) and to pay interest thereon (i) from and including the original issue date of the Subordinated Notes to but excluding July 31, 2024, at the rate of 5.75% per annum, computed on the basis of a 360-day year consisting of twelve 30-day months and payable semi-annually in arrears on January 31 and July 31 of each year (each, a “Fixed Interest Payment Date”), beginning January 31, 2020 and ending on July 31, 2024, and (ii) from and including July 31, 2024 to but excluding the Stated Maturity or the early redemption date contemplated by Section 5 of this Subordinated Note, at the rate per annum, reset quarterly, equal to Three-Month LIBOR determined on the LIBOR Determination Date (as defined below) of the applicable Interest Period plus 395 basis points, computed on the basis of a 360-day year and the actual number of days elapsed and payable quarterly in arrears on January 31, April 30, July 31 and October 31 of each year (each, a “Floating Interest Payment Date”). An “Interest Payment Date” is either a Fixed Interest Payment Date or a Floating Interest Payment Date, as applicable. “Three-Month LIBOR” means, for any Interest Period, the offered rate for deposits in U.S. dollars having a maturity of three months that appears on the Designated LIBOR Page as of 11:00 a.m., London time, on the LIBOR Determination Date related to such Interest Period. If such rate does not appear on such page at such time, then the Calculation Agent will request the principal London office of each of four major reference banks in the London interbank market, selected by the Company for this purpose and whose names and contact information will be provided by the Company to the Calculation Agent, to provide such bank’s offered quotation to prime banks in the London interbank market for deposits in U.S. dollars with a term of three months as of 11:00 a.m., London time, on such Determination Date and in a principal amount equal to an amount for a single transaction in U.S. dollars in the relevant market at the relevant time as determined by the Company and provided to the Calculation Agent (a “Representative Amount”). If at least two such quotations are so provided, Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, the Calculation Agent will request each of three major banks in the City of New York selected by the Company for this purpose and whose names and contact information will be provided by the Company to the Calculation Agent, to provide such bank’s rate for loans in U.S. dollars to leading European banks with a term of three months as of approximately 11:00 a.m., New York City time, on such LIBOR Determination Date and in a Representative Amount. If at least two such rates are so provided, Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two such rates are so provided, then Three-Month LIBOR for the Interest Period related to such LIBOR Determination Date will be set to equal the Three-Month LIBOR for the immediately preceding Interest Period. All percentages used in or resulting from any calculation of Three-Month LIBOR will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005% rounded up to 0.00001%. Notwithstanding the foregoing, in the event that Three-Month LIBOR as determined in accordance with this definition is less than zero, Three-Month LIBOR for such Interest Period shall be deemed to be zero.

In addition, if the Calculation Agent determines that Three-Month LIBOR is not published on the Designated LIBOR Page, then the Company may determine and provide to the Calculation Agent in writing whether to calculate the relevant interest rate using a substitute or successor base rate that the Company has determined in its sole discretion is most comparable to Three-Month LIBOR or is an industry-accepted substitute or successor base rate, and the Calculation Agent will use that substitute or successor base rate as directed by the Company in writing. If a substitute or successor base rate has been determined in accordance with the foregoing, the Company in its sole discretion may determine what business day convention to use, the definition of business day, the Determination Date to be used and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to Three-Month LIBOR, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate.

For purposes hereof:

“Designated LIBOR Page” means the display on Bloomberg Page BBAM1 (or any successor or substitute page of such service, or any successor to such service selected by the Company), for the purpose of displaying the London interbank rates for U.S. dollar deposits of major banks.

“LIBOR Administrator” means, collectively, the ICE Benchmark Administration Limited (“ICE”) or its successor, or such other entity assuming the responsibility of ICE or its successor in calculating London inter-bank offered rates in the event ICE or its successor no longer does so.

“LIBOR Determination Date” means the second London Banking Day (as defined below) immediately preceding the first day of the relevant Interest Period.

“London Banking Day” means any day on which commercial banks are open for business (including dealings in deposits in US dollars) in London, England.

Any payment of principal of or interest on this Subordinated Note that would otherwise become due and payable on a day which is not a Business Day will become due and payable on the next succeeding Business Day, with the same force and effect as if made on the date for payment of such principal or interest, and no interest will accrue in respect of such payment for the period after such day.

The Company will pay interest on this Subordinated Note to the Person who is the registered Holder at the close of business on the fifteenth calendar day prior to the applicable Interest Payment Date, except as provided in Section 2.10 of the Indenture with respect to Defaulted Interest. This Subordinated Note will be payable as to principal and interest at the office or agency of the Paying Agent, or, at the option of the Company, payment of interest may be made by check delivered to the Holder at its address set forth in the Subordinated Note Register or by wire transfer to an account appropriately designated by the Person entitled to payment; provided, that the Paying Agent will have received written notice of such account designation at least five Business Days prior to the date of such payment (subject to surrender of this Subordinated Note in the case of a payment of interest at Maturity).

2. Paying Agent and Registrar. Wilmington Trust, National Association, a national banking association, the Trustee (“Trustee”) under the Indenture, will act as the initial Paying Agent and Registrar through its offices presently located at 1100 North Market Street, Wilmington, DE 19890. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

3. Subordination. The indebtedness of the Company evidenced by this Subordinated Note, including the principal thereof and interest thereon, is, to the extent and in the manner set forth in the Indenture, subordinate and junior in right of payment and upon the Company’s liquidation to obligations of the Company constituting the Senior Indebtedness (as defined in the Indenture) on the terms and subject to the terms and conditions as provided and set forth in Article XI of the Indenture and will rank *pari passu* in right of payment and upon the Company’s liquidation with the Company’s existing and all future indebtedness the terms of which provide that such indebtedness ranks equally with promissory notes, bonds, debentures and other evidences of indebtedness of types that include the Subordinated Notes. Holder, by the acceptance of this Subordinated Note, agrees to and will be bound by such provisions of the Indenture and authorizes and directs the Trustee on his behalf to take such actions as may be necessary or appropriate to effectuate the subordination so provided.

4. Redemption.

(a) The Company may, at its option, on any Interest Payment Date on or after July 31, 2024, redeem this Subordinated Note, in whole or in part, without premium or penalty, but in all cases in a principal amount in minimum denominations of \$2,000 and any integral multiples of \$1,000 in excess thereof. In addition, the Company may redeem all, but not a portion of the Subordinated Notes, at any time upon the occurrence of a Tier 2 Capital Event, Tax Event or an Investment Company Event. Any redemption of this Subordinated Note shall be subject to the prior approval of the Board of Governors of the Federal Reserve System (or its designee) or any successor agency, and any other banking regulatory agency, to the extent such approval shall then be required by law, regulation or policy. This Subordinated Note is not subject to redemption at the option of the Holder. The Redemption Price with respect to any redemption permitted under this Indenture will be equal to 100% of the principal amount of this Subordinated Note, or portion thereof, to be redeemed, plus accrued but unpaid interest thereon to, but excluding, the Redemption Date.

(b) If less than the then outstanding principal amount of this Subordinated Note is redeemed, (i) a new note shall be issued representing the unredeemed portion without charge to the Holder thereof and (ii) such redemption shall be effected on a pro rata basis as to the Holders. For purposes of clarity, upon a partial redemption, a like percentage of the principal amount of every Subordinated Note held by every Holder shall be redeemed.

(c) Effectiveness of Redemption. If notice of redemption has been duly given and notwithstanding that any Subordinated Notes so called for redemption have not been surrendered for cancellation, on and after the Redemption Date interest shall cease to accrue on all Subordinated Notes so called for redemption, all Subordinated Notes so called for redemption shall no longer be deemed outstanding and all rights with respect to such Subordinated Notes shall forthwith on such Redemption Date cease and terminate (unless the Company shall default in the payment of the redemption price), except only the right of the Holder thereof to receive the amount payable on such redemption, without interest.

5. Events of Default; Acceleration. An “Event of Default” means any one of the events described in Section 4.01 of the Indenture. If an Event of Default described in Section 4.01(1) or Section 4.01(2) of the Indenture occurs, then the principal amount of all of the Outstanding Subordinated Notes, and accrued and unpaid interest, if any, on all Outstanding Subordinated Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or the Holder, and the Company waives demand, presentment for payment, notice of nonpayment, notice of protest, and all other notices. Notwithstanding the foregoing, because the Company will treat the Subordinated Notes as Tier 2 Capital, upon the occurrence of an Event of Default other than an Event of Default described in Section 4.01(1) or Section 4.01(2) of the Indenture, neither the Trustee nor the Holder may accelerate the Maturity of the Subordinated Notes and make the principal of, and any accrued and unpaid interest on, the Subordinated Notes, immediately due and payable. If any Event of Default occurs and is continuing, the Trustee may also pursue any other available remedy to collect the payment of principal of, and interest on, the Subordinated Notes then due and payable or to enforce the performance of any provision of the Subordinated Notes or the Indenture.

6. Failure to Make Payments. If the Company fails to make any payment of interest on this Subordinated Note when such interest becomes due and payable and such default continues for a period of 30 days, or if the Company fails to make any payment of the principal of this Subordinated Note when such principal becomes due and payable, the Company will, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holder, the whole amount then due and payable with respect to this Subordinated Note, with interest upon the overdue principal, any premium and, to the extent permitted by applicable law, upon any overdue installments of interest at the rate or respective rates, as the case may be, provided for or with respect to this Subordinated Note or, if no such rate or rates are so provided, at the rate or respective rates, as the case may be, of interest borne by this Subordinated Note.

Upon an Event of Default, the Company may not declare or pay any dividends or distributions on, or redeem, purchase, acquire, or make a liquidation payment with respect to, any of the Company's capital stock, make any payment of principal or interest or premium, if any, on or repay, repurchase or redeem any debt securities of the Company that rank equal with or junior to this Subordinated Note, or make any payments under any guarantee that ranks equal with or junior to this Subordinated Note, other than: (i) any dividends or distributions in shares of, or options, warrants or rights to subscribe for or purchase shares of, any class of Company's common stock; (ii) any declaration of a dividend in connection with the implementation of a shareholders' rights plan, or the issuance of stock under any such plan in the future, or the redemption or repurchase of any such rights pursuant thereto; (iii) as a result of a reclassification of Company's capital stock or the exchange or conversion of one class or series of Company's capital stock for another class or series of Company's capital stock; (iv) the purchase of fractional interests in shares of Company's capital stock in accordance with the conversion or exchange provisions of such capital stock or the security being converted or exchanged; or (v) purchases of any class of Company's common stock related to the issuance of common stock or rights under any benefit plans for Company's directors, officers or employees or any of Company's dividend reinvestment plans.

7. Denominations, Transfer, Exchange. The Subordinated Notes are issuable only in registered form without interest coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The transfer of this Subordinated Note may be registered and this Subordinated Note may be exchanged as provided in the Indenture. The Registrar may require the Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require the Holder to pay any taxes and fees required by law or permitted by the Indenture.

8. Charges and Transfer Taxes. No service charge will be made for any registration of transfer or exchange of this Subordinated Note, or any redemption or repayment of this Subordinated Note, or any conversion or exchange of this Subordinated Note for other types of securities or property, but the Company may require payment of a sum sufficient to pay all taxes, assessments or other governmental charges that may be imposed in connection with the transfer or exchange of this Subordinated Note from the Holder requesting such transfer or exchange.

9. Persons Deemed Owners. The Company and the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Subordinated Note is registered as the owner hereof for all purposes, whether or not this Subordinated Note is overdue, and neither the Company, the Trustee nor any such agent will be affected by notice to the contrary.

10. Amendments; Waivers. The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Subordinated Notes at any time by the Company and the Trustee with the consent of the holders of a majority in principal amount of the then Outstanding Subordinated Notes. The Indenture also contains provisions permitting the holders of specified percentages in principal amount of the then Outstanding Subordinated Notes, on behalf of the holders of all Subordinated Notes, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Subordinated Note will be conclusive and binding upon such Holder and upon all future holders of this Subordinated Note and of any Subordinated Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Subordinated Note.

11. No Impairment. No reference herein to the Indenture and no provision of this Subordinated Note or of the Indenture will alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest (if any) on this Subordinated Note at the times, place and rate as herein prescribed.

12. Sinking Fund; Convertibility. This Subordinated Note is not entitled to the benefit of any sinking fund. This Subordinated Note is not convertible into or exchangeable for any of the equity securities, other securities or assets of the Company or any Subsidiary.

13. No Recourse Against Others. No recourse under or upon any obligation, covenant or agreement contained in the Indenture or in this Subordinated Note, or for any claim based thereon or otherwise in respect thereof, will be had against any past, present or future shareholder, employee, officer, or director, as such, of the Company or of any predecessor or successor, either directly or through the Company or any predecessor or successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of this Subordinated Note by the Holder and as part of the consideration for the issuance of this Subordinated Note.

14. Authentication. This Subordinated Note will not be valid until authenticated by the manual signature of the Trustee or an Authenticating Agent.

15. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian), and U/G/M/A (= Uniform Gifts to Minors Act). Additional abbreviations may also be used though not in the above list.

16. Available Information. The Company will furnish to the Holder upon written request and without charge a copy of the Indenture. Requests by Holder to the Company may be made to: Limestone Bancorp, Inc., 2500 Eastpoint Parkway, Louisville, Kentucky 40223 Attention: Chief Financial Officer.

17. Governing Law. THIS SUBORDINATED NOTE WILL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK AND WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ANY LAWS OR PRINCIPLES OF CONFLICT OF LAWS THAT WOULD APPLY THE LAWS OF A DIFFERENT JURISDICTION.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Subordinated Note to be duly executed.

Dated: July 23, 2019

LIMESTONE BANCORP, INC.

By: _____
Name: John T. Taylor
Title: President and Chief Executive Officer

[Signature Page to Subordinated Note]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Subordinated Notes of Limestone Bancorp, Inc., referred to in the within-mentioned Indenture:

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:
Date:

ASSIGNMENT FORM

To assign this Subordinated Note, fill in the form below: (I) or (we) assign and transfer this Subordinated Note to:

(Print or type assignee's name, address and zip code)

(Insert assignee's social security or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Subordinated Note on the books of the Company. The agent may substitute another to act for him.

Date: _____ Your signature: _____
(Sign exactly as your name appears on the face of this Subordinated Note)

Tax Identification No: _____

Signature Guarantee: _____
(Signatures must be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to Exchange Act Rule 17Ad-15).

The undersigned certifies that it [is / is not] an Affiliate of the Company and that, to its knowledge, the proposed transferee [is / is not] an Affiliate of the Company.

In connection with any transfer or exchange of this Subordinated Note occurring prior to the date that is one year after the later of the date of original issuance of this Subordinated Note and the last date, if any, on which this Subordinated Note was owned by the Company or any Affiliate of the Company, the undersigned confirms that this Subordinated Note is being:

CHECK ONE BOX BELOW:

- (1) acquired for the undersigned's own account, without transfer;
 - (2) transferred to the Company;
 - (3) transferred in accordance and in compliance with Rule 144A under the Securities Act of 1933, as amended (the "Securities Act");
 - (4) transferred under an effective registration statement under the Securities Act;
-

- (5) transferred in accordance with and in compliance with Regulation S under the Securities Act;
- (6) transferred to an institutional “accredited investor” (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) or an “accredited investor” (as defined in Rule 501(a)(4) under the Securities Act), that has furnished a signed letter containing certain representation’s and agreements; or
- (7) transferred in accordance with another available exemption from the registration requirements of the Securities Act of 1933, as amended.

Unless one of the boxes is checked, the Paying Agent will refuse to register this Subordinated Note in the name of any person other than the registered Holder thereof; provided, however, that if box (5), (6) or (7) is checked, the Paying Agent may require, prior to registering any such transfer of this Subordinated Note, in its sole discretion, such legal opinions, certifications and other information as the Paying Agent may reasonably request to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act such as the exemption provided by Rule 144 under such Act.

Signature: _____

Signature Guarantee: _____
 (Signatures must be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to Exchange Act Rule 17Ad-15).

TO BE COMPLETED BY PURCHASER IF BOX (1) OR (3) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Subordinated Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act of 1933, as amended, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned’s foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Date: _____ Signature: _____

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Section 5: EX-10.1 (EXHIBIT 10.1)

Exhibit 10.1

SUBORDINATED NOTE PURCHASE AGREEMENT

This SUBORDINATED NOTE PURCHASE AGREEMENT (this “Agreement”) is dated as of July 23, 2019, and is made by and among Limestone Bancorp, Inc., a Kentucky corporation (“Company”), and the several purchasers of the Subordinated Notes identified on the signature pages hereto (each a “Purchaser” and collectively, the “Purchasers”).

RECITALS

WHEREAS, the Company is offering up to \$17,000,000 in aggregate principal amount of Subordinated Notes of the Company (as defined herein), which aggregate amount is intended to qualify as Tier 2 Capital (as defined herein).

WHEREAS, the Company has engaged Raymond James & Associates, Inc. as its exclusive placement agent (“Placement Agent”) for the offering of the Subordinated Notes.

WHEREAS, each of the Purchasers is an institutional “accredited investor” as such term is defined in Rule 501 of Regulation D (“Regulation D”) promulgated under the Securities Act of 1933, as amended (the “Securities Act”) or a QIB (as defined below).

WHEREAS, the offer and sale of the Subordinated Notes by the Company is being made pursuant to Section 4(a)(2) of the Securities Act and pursuant to the Indenture (as defined below).

WHEREAS, each Purchaser is willing to purchase from the Company a Subordinated Note in the principal amount set forth on such Purchaser’s respective signature page hereto (the “Subordinated Note Amount”) in accordance with the terms, subject to the conditions and in reliance on, the recitals, representations, warranties, covenants and agreements set forth herein and in the Subordinated Notes.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements herein contained and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. DEFINITIONS.

1.1 Defined Terms. The following capitalized terms used in this Agreement have the meanings defined or referenced below. Certain other capitalized terms used only in specific sections of this Agreement may be defined in such sections.

“Affiliate(s)” means, with respect to any Person, such Person’s immediate family members, partners, members or parent and subsidiary corporations, and any other Person directly or indirectly controlling, controlled by, or under common control with said Person and their respective Affiliates.

“Agreement” has the meaning set forth in the preamble hereto.

“Articles of Incorporation” means the articles of incorporation of the Company, as in effect on the Closing Date.

“Applicable Procedures” means, with respect to any transfer or exchange of or for beneficial interests in any Subordinated Note represented by a global certificate, the rules and procedures of DTC that apply to such transfer or exchange.

“Bank” means Limestone Bank, a commercial bank organized under the laws of the Commonwealth of Kentucky and a wholly owned subsidiary of the Company.

“Business Day” means any day other than a Saturday, Sunday or any other day on which banking institutions in the Commonwealth of Kentucky are permitted or required by any applicable law or executive order to close.

“Bylaws” means the bylaws of the Company, as in effect on the Closing Date.

“Closing” has the meaning set forth in Section 2.2.

“Closing Date” means July 23, 2019.

“Company” has the meaning set forth in the preamble hereto and shall include any successors to the Company.

“Company Covered Person” has the meaning set forth in Section 4.2.4.

“Company’s Reports” means (i) the Company’s Annual Report on Form 10-K for the year ended December 31, 2018, as filed with the SEC, including the audited financial statements contained therein; (ii) the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, as filed with the SEC, including the unaudited financial statements contained therein, and (iii) the Company’s reports for the year ended December 31, 2018 and the period ended March 31, 2019, as filed with the FRB as required by regulations of the FRB.

“Disbursement” has the meaning set forth in Section 3.1.

“Disqualification Event” has the meaning set forth in Section 4.2.4.

“DTC” has the meaning set forth in Section 5.7.

“Equity Interest” means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person which is not a corporation, and any and all warrants, options or other rights to purchase any of the foregoing.

“Event of Default” has the meaning set forth in the Subordinated Notes.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“FDIC” means the Federal Deposit Insurance Corporation.

“FRB” means the Board of Governors of the Federal Reserve System.

“GAAP” means generally accepted accounting principles in effect from time to time in the United States of America.

“Global Note” has the meaning set forth in Section 3.1.

“Governmental Agency(ies)” means, individually or collectively, any federal, state, county or local governmental department, commission, board, regulatory authority or agency (including each applicable Regulatory Agency) with jurisdiction over the Company or a Subsidiary of the Company.

“Governmental Licenses” has the meaning set forth in Section 4.3.

“Hazardous Materials” means flammable explosives, asbestos, urea formaldehyde insulation, polychlorinated biphenyls, radioactive materials, hazardous wastes, toxic or contaminated substances or similar materials, including any substances which are “hazardous substances,” “hazardous wastes,” “hazardous materials” or “toxic substances” under the Hazardous Materials Laws and/or other applicable environmental laws, ordinances or regulations.

“Hazardous Materials Laws” mean any laws, regulations, permits, licenses or requirements pertaining to the protection, preservation, conservation or regulation of the environment which relates to real property, including: the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986), 42 U.S.C. Section 9601 et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651, the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Section 11001 et seq.; the Mine Safety and Health Act of 1977, as amended, 30 U.S.C. Section 801 et seq.; the Safe Drinking Water Act, 42 U.S.C. Section 300f et seq.; and all comparable state and local laws, laws of other jurisdictions or orders and regulations.

“Indebtedness” means and includes: (i) all items arising from the borrowing of money that, according to GAAP as in effect from time to time, would be included in determining total liabilities as shown on the consolidated balance sheet of the Company or any Subsidiary of the Company; and (ii) all obligations secured by any lien in property owned by the Company or any Subsidiary whether or not such obligations shall have been assumed; *provided, however*, Indebtedness shall not include deposits or other indebtedness created, incurred or maintained in the ordinary course of the Company’s or the Bank’s business (including federal funds purchased, advances from any Federal Home Loan Bank, secured deposits of municipalities, letters of credit issued by the Company or the Bank and repurchase arrangements) and consistent with customary banking practices and applicable laws and regulations.

“Indenture” means the indenture, dated as of the date hereof, by and between the Company and Wilmington Bank, National Association, as trustee, substantially in the form attached hereto as Exhibit A, as the same may be amended or supplemented from time to time in accordance with the terms thereof.

“Leases” means all leases, licenses or other documents providing for the use or occupancy of any portion of any Property, including all amendments, extensions, renewals, supplements, modifications, sublets and assignments thereof and all separate letters or separate agreements relating thereto.

“Material Adverse Effect” means, with respect to any Person, any change or effect that (i) is or would be reasonably likely to be material and adverse to the financial position, results of operations or business of such Person, or (ii) would materially impair the ability of any Person to perform its respective obligations under any of the Transaction Documents, or otherwise materially impede the consummation of the transactions contemplated hereby; *provided, however*, that “Material Adverse Effect” shall not be deemed to include the impact of (1) changes in banking and similar laws, rules or regulations of general applicability or interpretations thereof by Governmental Agencies which do not disproportionately affect the operations or business of the Company in comparison to other banking institutions with similar operations, (2) changes in GAAP or regulatory accounting requirements applicable to financial institutions and their holding companies generally, (3) changes after the date of this Agreement in general economic or capital market conditions affecting financial institutions or their market prices generally and not specifically related to the Company or Purchasers, (4) direct effects of compliance with this Agreement on the operating performance of the Company or Purchasers, including expenses incurred by the Company or Purchasers in consummating the transactions contemplated by this Agreement, and (5) the effects of any action or omission taken by the Company with the prior written consent of Purchasers, and vice versa, or as otherwise contemplated by this Agreement and the Subordinated Notes.

“Maturity Date” means July 31, 2029.

“Person” means an individual, a corporation (whether or not for profit), a partnership, a limited liability company, a joint venture, an association, a trust, an unincorporated organization, a government or any department or agency thereof (including a Governmental Agency) or any other entity or organization.

“Placement Agent” has the meaning set forth in the Recitals.

“Property” means any real property owned or leased by the Company or any Affiliate or Subsidiary of the Company.

“Purchaser” or “Purchasers” has the meaning set forth in the preamble hereto.

“QIB” means a Qualified Institutional Buyer as defined in Rule 144A of the Securities Act.

“Regulation D” has the meaning set forth in the Recitals.

“Regulatory Agencies” means any federal or state agency charged with the supervision or regulation of depository institutions or holding companies of depository institutions, or engaged in the insurance of depository institution deposits, or any court, administrative agency or commission or other authority, body or agency having supervisory or regulatory authority with respect to the Company, the Bank or any of their Subsidiaries.

“SEC” means the Securities and Exchange Commission.

“Securities Act” has the meaning set forth in the Recitals.

“Subordinated Note” means the Subordinated Note (or collectively, the “Subordinated Notes”) in the form attached as an exhibit to the Indenture, as amended, restated, supplemented or modified from time to time, and each Subordinated Note delivered in substitution or exchange for such Subordinated Note.

“Subordinated Note Amount” has the meaning set forth in the Recitals.

“Subsidiary” means, with respect to any Person, any corporation or entity in which a majority of the outstanding Equity Interest is directly or indirectly owned by such Person.

“Tier 2 Capital” has the meaning given to the term “Tier 2 capital” in 12 C.F.R. Part 217, as amended, modified and supplemented and in effect from time to time or any replacement thereof.

“Transaction Documents” has the meaning set forth in Section 3.2.1.1.

“Trustee” means the trustee or successor in accordance with the applicable provisions of the Indenture.

1.2 Interpretations. The foregoing definitions are equally applicable to both the singular and plural forms of the terms defined. The words “hereof”, “herein” and “hereunder” and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The word “including” when used in this Agreement without the phrase “without limitation,” shall mean “including, without limitation.” All references to time of day herein are references to Eastern Time unless otherwise specifically provided. All references to this Agreement, the Subordinated Notes and the Indenture shall be deemed to be to such documents as amended, modified or restated from time to time. With respect to any reference in this Agreement to any defined term, (i) if such defined term refers to a Person, then it shall also mean all heirs, legal representatives and permitted successors and assigns of such Person, and (ii) if such defined term refers to a document, instrument or agreement, then it shall also include any amendment, replacement, extension or other modification thereof.

1.3 Exhibits Incorporated. All Exhibits attached are hereby incorporated into this Agreement.

2. **SUBORDINATED DEBT.**

2.1 Certain Terms. Subject to the terms and conditions herein contained, the Company proposes to issue and sell to the Purchasers, severally and not jointly, Subordinated Notes, which will be issued pursuant to the Indenture, in an amount equal to the aggregate of the Subordinated Note Amounts. Purchasers, severally and not jointly, each agree to purchase the Subordinated Notes, which will be issued pursuant to the Indenture, from the Company on the Closing Date in accordance with the terms of, and subject to the conditions and provisions set forth in, this Agreement, the Indenture and the Subordinated Notes. The Subordinated Note Amounts shall be disbursed in accordance with Section 3.1.

2.2 The Closing. The execution and delivery of the Transaction Documents (the "Closing") shall occur at the offices of the Company at 10:00 a.m. (local time) on the Closing Date, or at such other place or time or on such other date as the parties hereto may agree.

2.3 Right of Offset. Each Purchaser hereby expressly waives any right of offset such Purchaser may have against the Company.

2.4 Use of Proceeds. The Company shall use the net proceeds from the sale of Subordinated Notes (i) to prepay Five Million Dollars (\$5,000,000) of its term loan from First Merchants Bank to the Company, dated June 30, 2017, (ii) to make a Ten Million Dollar (\$10,000,000) capital contribution to the Bank and (iii) for general corporate purposes.

3. **DISBURSEMENT.**

3.1 Disbursement. On the Closing Date, assuming all of the terms and conditions set forth in Section 3.2 have been satisfied by the Company and the Company has executed and delivered to each of the Purchasers this Agreement and any other related documents in form and substance reasonably satisfactory to the Purchasers, each Purchaser shall disburse in immediately available funds the Subordinated Note Amount set forth on each Purchaser's respective signature page hereto to the Company in exchange for an electronic securities entitlement through the facilities of DTC (defined below) in accordance with the Applicable Procedures in the Subordinated Note with a principal amount equal to such Subordinated Note Amount (the "Disbursement"). The Company will deliver to the Trustee a global certificate representing the Subordinated Notes (the "Global Note") registered in the name of Cede & Co., as nominee for DTC.

3.2 Conditions Precedent to Disbursement.

3.2.1 Conditions to the Purchasers' Obligation. The obligation of each Purchaser to consummate the purchase of the Subordinated Notes to be purchased by them at Closing and to effect the Disbursement is subject to delivery by or at the direction of the Company to such Purchaser (or, with respect to the Indenture, the Trustee) each of the following (or written waiver by such Purchaser prior to the Closing of such delivery):

3.2.1.1 Transaction Documents. This Agreement, the Indenture and the Global Note (collectively, the "Transaction Documents"), each duly authorized and executed by the Company, and delivery of written instruction to the Trustee (with respect to the Indenture).

3.2.1.2

Authority Documents.

- (a) A copy, certified by the Secretary or Assistant Secretary of the Company, of the Articles of Incorporation of the Company;
- (b) A certificate of status of the Company issued by the Secretary of State of the Commonwealth of Kentucky;
- (c) A copy, certified by the Secretary or Assistant Secretary, of the Bylaws of the Company;
- (d) A copy, certified by the Secretary or Assistant Secretary of the Company, of the resolutions of the board of directors of the Company and any committee thereof authorizing the execution, delivery and performance of the Transaction Documents;
- (e) An incumbency certificate of the Secretary or Assistant Secretary of the Company certifying the names of the officer or officers of the Company authorized to sign the Transaction Documents and the other documents provided for in this Agreement; and
- (f) The opinion of Wyatt, Tarrant & Combs, LLP, counsel to the Company, dated as of the Closing Date, substantially in the form set forth at Exhibit B attached hereto addressed to the Purchasers and Placement Agent (provided that opinions regarding the enforceability of the Transaction Documents under New York law may be given by New York counsel).

3.2.1.3

Other Documents. Such other certificates, affidavits, schedules, resolutions, notes and/or other documents which are provided for hereunder or as a Purchaser may reasonably request.

3.2.1.4

Aggregate Investments. Prior to, or contemporaneously with the Closing, each Purchaser shall have actually subscribed for the Subordinated Note Amount set forth on such Purchaser's signature page.

3.2.2 Conditions to the Company's Obligation. With respect to a given Purchaser, the obligation of the Company to consummate the sale of the Subordinated Notes and to effect the Closing is subject to delivery by or at the direction of such Purchaser to the Company of this Agreement duly authorized and executed by such Purchaser.

4. **REPRESENTATIONS AND WARRANTIES OF THE COMPANY.**

The Company hereby represents and warrants to each Purchaser as follows:

4.1 Organization and Authority.

4.1.1 Organization Matters of the Company and Its Subsidiaries.

4.1.1.1 The Company is a duly organized corporation, is validly existing under the laws of the Commonwealth of Kentucky and has all requisite corporate power and authority to conduct its business and activities as presently conducted, to own its properties, and to perform its obligations under the Transaction Documents. The Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect. The Company is duly registered as a bank holding company under the Bank Holding Company Act of 1956, as amended.

4.1.1.2 The entities listed on Schedule 4.1.1.2, attached hereto and incorporated herewith, are the only direct or indirect Subsidiaries of the Company. Each Subsidiary of the Company has been duly organized and is validly existing as a corporation, limited liability company or Delaware trust, or, in the case of the Bank, has been duly organized and is validly existing as a Kentucky banking corporation, in each case in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and to conduct its business and is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not reasonably be expected to result in a Material Adverse Effect. Except as provided in that certain Stock Pledge Agreement in favor of First Merchants Bank, dated June 30, 2017, and except for the preferred equity securities of Ascencia Statutory Trust I, Porter Statutory Trust II, Porter Statutory Trust III, and Porter Statutory Trust IV, all of the issued and outstanding shares of capital stock or other equity interests in each Subsidiary of the Company have been duly authorized and validly issued, are fully paid and non-assessable and are owned by the Company, directly or through Subsidiaries of the Company, free and clear of any security interest, mortgage, pledge, lien, encumbrance or claim; none of the outstanding shares of capital stock of, or other Equity Interests in, any Subsidiary of the Company were issued in violation of the preemptive or similar rights of any security holder of such Subsidiary of the Company or any other entity.

4.1.1.3 The Bank is authorized to transact business as a commercial bank in the Commonwealth of Kentucky. The deposit accounts of the Bank are insured by the FDIC up to applicable limits. The Bank has not received any notice or other information indicating that the Bank is not an "insured depository institution" as defined in 12 U.S.C. Section 1813, nor has any event occurred which could reasonably be expected to adversely affect the status of the Bank as an FDIC-insured institution.

4.1.2 Capital Stock and Related Matters. The Articles of Incorporation of the Company authorizes the Company to issue (a) 28,000,000 common shares, no par value, (b) 10,000,000 non-voting common shares, no par value, and (c) 1,000,000 preferred shares, no par value. As of the date of this Agreement, there are 6,240,614 Common Shares of the Company issued and outstanding, 1,220,000 Non-Voting Common Shares of the Company issued and outstanding and no Preferred Shares of the Company issued and outstanding. All of the outstanding capital stock of the Company has been duly authorized and validly issued and is fully paid and non-assessable. There are, as of the date hereof, no outstanding options, rights, warrants or other agreements or instruments obligating the Company to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of the capital stock of the Company or obligating the Company to grant, extend or enter into any such agreement or commitment to any Person other than the Company except pursuant to the Company's equity incentive plans duly adopted by the Company's Board of Directors, and except pursuant to the Company's Tax Benefits Preservation Plan, dated as of June 25, 2015, between the Company and American Stock Transfer Company, as Rights Agent, as amended by Amendment No. 1 thereto, dated August 4, 2015, and Amendment No. 2 thereto, dated May 23, 2018.

4.2 No Impediment to Transactions.

4.2.1 Transaction is Legal and Authorized. The issuance of the Subordinated Notes pursuant to the Indenture, the borrowing of the aggregate of the Subordinated Note Amount, the execution of the Transaction Documents and compliance by the Company with all of the provisions of the Transaction Documents are within the corporate and other powers of the Company.

4.2.2 Agreement and Indenture. This Agreement and the Indenture have been duly authorized, executed and delivered by the Company, and, assuming due authorization, execution and delivery by the other parties thereto, including the Trustee for purposes of the Indenture, constitute the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles.

4.2.3 Subordinated Notes. The Subordinated Notes have been duly authorized by the Company and when executed by the Company and completed and authenticated by the Trustee in accordance with, and in the forms contemplated by, the Indenture and issued, delivered to and paid for by the Purchasers in accordance with the terms of this Agreement, will have been duly issued under the Indenture and will constitute legal, valid and binding obligations of the Company, entitled to the benefits of the Indenture, and enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles. When executed and delivered, the Subordinated Notes will be substantially in the form attached as an exhibit to the Indenture.

4.2.4 Exemption from Registration. Neither the Company, nor any of its Subsidiaries or Affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Subordinated Notes. Assuming the accuracy of the representations and warranties of each Purchaser set forth in this Agreement, the Subordinated Notes will be issued in a transaction exempt from the registration requirements of the Securities Act. No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "Disqualification Event") is applicable to the Company or, to the Company's knowledge, any Person described in Rule 506(d)(1) (each, a "Company Covered Person"). The Company has exercised reasonable care to determine whether any Company Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e).

4.2.5 No Defaults or Restrictions. Neither the execution and delivery of the Transaction Documents nor compliance with their respective terms and conditions will (whether with or without the giving of notice or lapse of time or both) (i) violate, conflict with or result in a breach of, or constitute a default under: (1) the Articles of Incorporation or Bylaws of the Company; (2) any of the terms, obligations, covenants, conditions or provisions of any corporate restriction or of any contract, agreement, indenture, mortgage, deed of trust, pledge, bank loan or credit agreement, or any other agreement or instrument to which Company or the Bank, as applicable, is now a party or by which it or any of its properties may be bound or affected; (3) any judgment, order, writ, injunction, decree or demand of any court, arbitrator, grand jury, or Governmental Agency applicable to the Company or the Bank; or (4) any statute, rule or regulation applicable to the Company, *except*, in the case of items (2), (3) or (4), for such violations and conflicts that would not reasonably be expected to have, singularly or in the aggregate, a Material Adverse Effect on the Company and its Subsidiaries taken as a whole, or (ii) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any property or asset of the Company. Neither the Company nor the Bank is in default in the performance, observance or fulfillment of any of the terms, obligations, covenants, conditions or provisions contained in any indenture or other agreement creating, evidencing or securing Indebtedness of any kind or pursuant to which any such Indebtedness is issued, or any other agreement or instrument to which the Company or the Bank, as applicable, is a party or by which the Company or the Bank, as applicable, or any of its properties may be bound or affected, except, in each case, only such defaults that would not reasonably be expected to have, singularly or in the aggregate, a Material Adverse Effect on the Company.

4.2.6 Governmental Consent. No governmental orders, permissions, consents, approvals or authorizations are required to be obtained by the Company that have not been obtained, and no registrations or declarations are required to be filed by the Company that have not been filed in connection with, or, in contemplation of, the execution and delivery of, and performance under, the Transaction Documents, except for applicable requirements, if any, of the Securities Act, the Exchange Act or state securities laws or “blue sky” laws of the various states and any applicable federal or state banking laws and regulations.

4.3 Possession of Licenses and Permits. The Company and its Subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, “Governmental Licenses”) issued by the appropriate Governmental Agencies necessary to conduct the business now operated by them except where the failure to possess such Governmental Licenses would not, singularly or in the aggregate, have a Material Adverse Effect on the Company or such applicable Subsidiary; the Company and each Subsidiary of the Company is in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not, individually or in the aggregate, have a Material Adverse Effect on the Company or such applicable Subsidiary of the Company; all of the Governmental Licenses are valid and in full force and effect, except where the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not have a Material Adverse Effect on the Company or such applicable Subsidiary of the Company; and neither the Company nor any Subsidiary of the Company has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses.

4.4.1 Company Financial Statements. The financial statements of the Company included in the Company's Reports (including the related notes, where applicable), which have been provided to the Purchasers (i) have been prepared from, and are in accordance with, the books and records of the Company; (ii) fairly present in all material respects the results of operations, cash flows, changes in stockholders' equity and financial position of Company and its consolidated Subsidiaries, for the respective fiscal periods or as of the respective dates therein set forth (subject in the case of unaudited statements to recurring year-end audit adjustments normal in nature and amount), as applicable; (iii) complied as to form, as of their respective dates of filing in all material respects with applicable accounting and banking requirements as applicable, with respect thereto; and (iv) have been prepared in accordance with GAAP consistently applied during the periods involved, except, in each case, as indicated in such statements or in the notes thereto. The books and records of Company have been, and are being, maintained in all material respects in accordance with GAAP and any other applicable legal and accounting requirements. The Company does not have any material liability of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether due or to become due), except for those liabilities that are reflected or reserved against on the consolidated balance sheet of the Company contained in the Company's Reports for the Company's most recently completed quarterly or annual fiscal period, as applicable, and for liabilities incurred in the ordinary course of business consistent with past practice or in connection with this Agreement and the transactions contemplated hereby.

4.4.2 Absence of Default. Since the end of the Company's last fiscal year ended December 31, 2018, no event has occurred which either of itself or with the lapse of time or the giving of notice or both, would give any creditor of the Company the right to accelerate the maturity of any material Indebtedness of the Company. The Company is not in default under any other Lease, agreement or instrument, or any law, rule, regulation, order, writ, injunction, decree, determination or award, non-compliance with which could reasonably be expected to result in a Material Adverse Effect on the Company.

4.4.3 Solvency. After giving effect to the consummation of the transactions contemplated by this Agreement, the Company has capital sufficient to carry on its business and transactions and is solvent and able to pay its debts as they mature. No transfer of property is being made and no Indebtedness is being incurred in connection with the transactions contemplated by this Agreement with the intent to hinder, delay or defraud either present or future creditors of the Company or any Subsidiary of the Company.

4.4.4 Ownership of Property. The Company and each of its Subsidiaries has good and marketable title as to all real property owned by it and good title to all assets and properties owned by the Company and such Subsidiary in the conduct of its businesses, whether such assets and properties are real or personal, tangible or intangible, including assets and property reflected in the most recent balance sheet contained in the Company's Reports or acquired subsequent thereto (except to the extent that such assets and properties have been disposed of in the ordinary course of business, since the date of such balance sheet), subject to no encumbrances, liens, mortgages, security interests or pledges, except (i) those items which secure liabilities for public or statutory obligations or any discount with, borrowing from or other obligations to the Federal Home Loan Bank, inter-bank credit facilities, reverse repurchase agreements or any transaction by the Bank acting in a fiduciary capacity, (ii) statutory liens for amounts not yet delinquent or which are being contested in good faith, (iii) those granted under that certain Stock Pledge Agreement, in favor of First Merchants Bank, dated June 30, 2017 and (iv) such as do not, individually or in the aggregate, materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company or any of its Subsidiaries. The Company and each of its Subsidiaries, as lessee, has the right under valid and existing Leases of real and personal properties that are material to the Company or such Subsidiary, as applicable, in the conduct of its business to occupy or use all such properties as presently occupied and used by it. Such existing Leases and commitments to Lease constitute or will constitute operating Leases for both tax and financial accounting purposes except as otherwise disclosed in the Company's Reports and the Lease expense and minimum rental commitments with respect to such Leases and Lease commitments are as disclosed in all material respects in the Company's Reports.

4.5 No Material Adverse Change. Since March 31, 2019, there has been no development or event which has had or could reasonably be expected to have a Material Adverse Effect on the Company or any of its Subsidiaries.

4.6 Legal Matters.

4.6.1 Compliance with Law. The Company and each of its Subsidiaries (i) has complied with and (ii) is not under investigation with respect to, and, to the Company's knowledge, has not been threatened to be charged with or given any notice of any material violation of any applicable statutes, rules, regulations, orders and restrictions of any domestic or foreign government, or any instrumentality or agency thereof, having jurisdiction over the conduct of its business or the ownership of its properties, except where any such failure to comply or violation would not reasonably be expected to have a Material Adverse Effect on the Company and its Subsidiaries taken as a whole. The Company and each of its Subsidiaries is in compliance with, and at all times prior to the date hereof has been in compliance with, (x) all statutes, rules, regulations, orders and restrictions of any domestic or foreign government, or any Governmental Agency, applicable to it, and (y) its own privacy policies and written commitments to customers, consumers and employees, concerning data protection, the privacy and security of personal data, and the nonpublic personal information of its customers, consumers and employees, in each case except where any such failure to comply, would not result, individually or in the aggregate, in a Material Adverse Effect. At no time during the two years prior to the date hereof has the Company or any of its Subsidiaries received any written notice asserting any violations of any of the foregoing.

4.6.2 Regulatory Enforcement Actions. The Company, the Bank and its other Subsidiaries are in compliance in all material respects with all laws administered by and regulations of any Governmental Agency applicable to it or to them, the failure to comply with which would have a Material Adverse Effect. None of the Company, the Bank, the Company's or the Bank's Subsidiaries nor any of their officers or directors is now operating under any restrictions, agreements, memoranda, commitment letter, supervisory letter or similar regulatory correspondence, or other commitments (other than restrictions of general application) imposed by any Governmental Agency, nor are, to the Company's knowledge, (a) any such restrictions threatened, (b) any agreements, memoranda or commitments being sought by any Governmental Agency, or (c) any legal or regulatory violations previously identified by, or penalties or other remedial action previously imposed by, any Governmental Agency remains unresolved.

4.6.3 Pending Litigation. There are no actions, suits, proceedings or written agreements pending, or, to the Company's knowledge, threatened or proposed, against the Company or any of its Subsidiaries at law or in equity or before or by any federal, state, municipal, or other governmental department, commission, board, or other administrative agency, domestic or foreign, that, either separately or in the aggregate, would reasonably be expected to have a Material Adverse Effect on the Company and its Subsidiaries, taken as a whole, or affect issuance or payment of the Subordinated Notes; and neither the Company nor any of its Subsidiaries is a party to or named as subject to the provisions of any order, writ, injunction, or decree of, or any written agreement with, any court, commission, board or agency, domestic or foreign, that either separately or in the aggregate, will have a Material Adverse Effect on the Company and its Subsidiaries, taken as a whole.

4.6.4 Environmental. The Company and each of its Subsidiaries are in compliance in all material respects with all Hazardous Materials Laws, except where such noncompliance would not reasonably be expected to have a Material Adverse Effect on the Company and its Subsidiaries taken as a whole. There are no claims or actions pending or, to the Company's knowledge, threatened against the Company or any of its Subsidiaries by any Governmental Agency or by any other Person relating to any Hazardous Materials or pursuant to any Hazardous Materials Law, except for such actions or claims that would not reasonably be expected to have a Material Adverse Effect on the Company and its Subsidiaries taken as a whole.

4.6.5 Brokerage Commissions. Except for commissions paid to the Placement Agent, neither the Company nor any Affiliate of the Company is obligated to pay any brokerage commission or finder's fee to any Person in connection with the transactions contemplated by this Agreement.

4.6.6 Investment Company Act. Neither the Company nor any of its Subsidiaries is an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

4.7 No Misstatement. None of the representations, warranties, covenants and agreements made in this Agreement or in any certificate or other document delivered to the Purchasers by or on behalf of the Company pursuant to or in connection with this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein not misleading in light of the circumstances when made or furnished to Purchasers and as of the date of this Agreement.

4.8 Internal Accounting Controls. The Company, the Bank and each other Subsidiary has established and maintains a system of internal control over financial reporting that pertains to the maintenance of records that accurately and fairly reflect the transactions and dispositions of the Company's assets (on a consolidated basis), provides reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that the Company's and the Bank's receipts and expenditures and receipts and expenditures of each of the Company's other Subsidiaries are being made only in accordance with authorizations of the Company management and Board of Directors, and provides reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets of the Company on a consolidated basis that could have a Material Adverse Effect. Such internal control over financial reporting is effective to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of the Company's financial statements for external purposes in accordance with GAAP. Since the conclusion of the Company's last completed fiscal year there has not been and there currently is not (i) any significant deficiency or material weakness in the design or operation of its internal control over financial reporting which is reasonably likely to adversely affect its ability to record, process, summarize and report financial information, or (ii) any fraud, whether or not material, that involves management or other employees who have a role in the Company's or the Bank's internal control over financial reporting. The Company (A) has implemented and maintains disclosure controls and procedures reasonably designed and maintained to ensure that material information relating to the Company is made known to the Chief Executive Officer and the Chief Financial Officer of the Company by others within the Company and (B) has disclosed, based on its most recent evaluation prior to the date hereof, to the Company's outside auditors and the audit committee of the Company's Board of Directors any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company's internal controls over financial reporting. Such disclosure controls and procedures are effective for the purposes for which they were established.

4.9 Tax Matters. The Company, the Bank and each Subsidiary of the Company have (i) filed all material foreign, U.S. federal, state and local tax returns, information returns and similar reports that are required to be filed, and all such tax returns are true, correct and complete in all material respects, and (ii) paid all material taxes required to be paid by it and any other material assessment, fine or penalty levied against it other than taxes (x) currently payable without penalty or interest, or (y) being contested in good faith by appropriate proceedings.

4.10 Exempt Offering. Assuming the accuracy of the Purchasers' representations and warranties set forth in this Agreement, no registration under the Securities Act is required for the offer and sale of the Subordinated Notes by the Company to the Purchasers.

4.11 Representations and Warranties Generally. The representations and warranties of the Company set forth in this Agreement, or in any other agreement entered into by the Company pursuant to the requirements of this Agreement, are true and correct as of the date hereof and as otherwise specifically provided herein or therein.

5. **GENERAL COVENANTS, CONDITIONS AND AGREEMENTS.**

The Company hereby further covenants and agrees with each Purchaser as follows:

5.1 Compliance with Transaction Documents. The Company shall comply with, observe and timely perform each and every one of the covenants, agreements and obligations under the Transaction Documents.

5.2 Affiliate Transactions. The Company shall not itself, nor shall it cause, permit or allow any of its Subsidiaries to enter into any transaction, including, the purchase, sale or exchange of property or the rendering of any service, with any Affiliate of the Company except in the ordinary course of business and pursuant to the reasonable requirements of the Company's or such Affiliate's business and upon terms consistent with applicable laws and regulations and reasonably found by the appropriate board(s) of directors to be fair and reasonable and no less favorable to the Company or such Affiliate than would be obtained in a comparable arm's length transaction with a Person not an Affiliate.

5.3 Compliance with Laws.

5.3.1 Generally. The Company shall comply and cause the Bank and each of its other Subsidiaries to comply in all material respects with all applicable statutes, rules, regulations, orders and restrictions in respect of the conduct of its business and the ownership of its properties, except, in each case, where such noncompliance would not reasonably be expected to have a Material Adverse Effect on the Company.

5.3.2 Regulated Activities. The Company shall not itself, nor shall it cause, permit or allow the Bank or any other of its Subsidiaries to (i) engage in any business or activity not permitted by all applicable laws and regulations, except where such business or activity would not reasonably be expected to have a Material Adverse Effect on the Company, the Bank and/or such of its Subsidiaries or (ii) make any loan or advance secured by the capital stock of another bank or depository institution, or acquire the capital stock, assets or obligations of or any interest in another bank or depository institution, in each case other than in accordance with applicable laws and regulations and safe and sound banking practices.

5.3.3 Taxes. The Company shall and shall cause the Bank and any other of its Subsidiaries to promptly pay and discharge all taxes, assessments and other governmental charges imposed upon the Company, the Bank or any other of its Subsidiaries or upon the income, profits, or property of the Company or any Subsidiary and all claims for labor, material or supplies which, if unpaid, might by law become a lien or charge upon the property of the Company, the Bank or any other of its Subsidiaries. Notwithstanding the foregoing, none of the Company, the Bank or any other of its Subsidiaries shall be required to pay any such tax, assessment, charge or claim, so long as the validity thereof shall be contested in good faith by appropriate proceedings, and appropriate reserves therefor shall be maintained on the books of the Company, the Bank and such other Subsidiary.

5.3.4 Corporate Existence. The Company shall do or cause to be done all things reasonably necessary to maintain, preserve and renew its corporate existence and that of the Bank and the other Subsidiaries and its and their rights and franchises (subject, however, to the Company's right to wind up and liquidate any immaterial Subsidiaries other than the Bank in the ordinary course of business), and comply in all material respects with all related laws applicable to the Company, the Bank or the other Subsidiaries.

5.3.5 Tier 2 Capital. If all or any portion of the Subordinated Notes ceases to be deemed to be Tier 2 Capital, other than due to the limitation imposed on the capital treatment of subordinated debt during the five (5) years immediately preceding the Maturity Date of the Subordinated Notes, the Company will immediately notify the Holder (as defined in the Subordinated Note) of the Subordinated Notes, and thereafter the Company and the Holder (as defined in the Subordinated Note) will work together in good faith to execute and deliver all agreements as reasonably necessary in order to restructure the applicable portions of the obligations evidenced by the Subordinated Notes to qualify as Tier 2 Capital; provided, however, that nothing contained in this Agreement shall limit the Company's right to redeem the Subordinated Notes upon the occurrence of a Tier 2 Capital Event as described in the Subordinated Notes.

5.4 Absence of Control. It is the intent of the parties to this Agreement that in no event shall the Purchasers, by reason of any of the Transaction Documents, be deemed to control, directly or indirectly, the Company, and the Purchasers shall not exercise, or be deemed to exercise, directly or indirectly, a controlling influence over the management or policies of the Company.

5.5 Insurance. At its sole cost and expense, the Company shall maintain, and shall cause each Subsidiary to maintain, bonds and insurance to such extent, covering such risks as is required by law or as is usual and customary for owners of similar businesses and properties in the same general area in which the Company or any of its Subsidiaries operates. All such bonds and policies of insurance shall be in a form, in an amount and with insurers recognized as adequate by prudent business persons.

5.6 DTC Registration. The Company shall use commercially reasonable efforts to cause the Subordinated Notes to be identified on Bloomberg and, with respect to Subordinated Notes held by Qualified Institutional Buyers as defined in Rule 144A of the Securities Act, shall cause such Subordinated Notes to be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC").

5.7 Rule 144A Information. While any Subordinated Notes remain "restricted securities" within the meaning of the Securities Act, the Company will make available, upon request, to any seller of such Subordinated Notes the information specified in Rule 144A(d)(4) under the Securities Act, unless the Company is then subject to Section 13 or 15(d) of the Exchange Act.

5.8 Secondary Market Transactions. The Company acknowledges that, subject to the Purchasers' representations and warranties in this Agreement, each Purchaser shall have the right at any time and from time to time to securitize its Subordinated Notes or any portion thereof in a single asset securitization or a pooled loan securitization of rated single or multi-class securities secured by or evidencing ownership interests in the Subordinated Notes (each such securitization is referred to herein as a "Secondary Market Transaction"). In connection with any such Secondary Market Transaction, the Company shall, at the Company's expense, cooperate with the Purchasers and otherwise reasonably assist the Purchasers in satisfying the market standards to which the Purchasers customarily adhere or which may be reasonably required in the marketplace or by applicable rating agencies in connection with any such Secondary Market Transaction. Subject to any written confidentiality obligation, all information regarding the Company may be furnished, without liability except in the case of gross negligence or willful misconduct, to the Purchaser and to any Person reasonably deemed necessary by Purchaser in connection with participation in such Secondary Market Transaction. All documents, financial statements, appraisals and other data relevant to the Company or the Subordinated Notes may be retained by any such Person.

6. **REPRESENTATIONS, WARRANTIES AND COVENANTS OF PURCHASERS.**

Each Purchaser hereby represents and warrants to the Company, and covenants with the Company, severally and not jointly, as follows:

6.1 Legal Power and Authority. The Purchaser has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The Purchaser is an entity duly organized, validly existing and in good standing under the laws its jurisdiction of organization.

6.2 Authorization and Execution. The execution, delivery and performance of this Agreement has been duly authorized by all necessary action on the part of such Purchaser, and, assuming due authorization, execution and delivery by the other parties thereto, this Agreement is a legal, valid and binding obligation of such Purchaser, enforceable against such Purchaser in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles.

6.3 No Conflicts. Neither the execution, delivery or performance of the Transaction Documents nor the consummation of any of the transactions contemplated hereby will conflict with, violate, constitute a breach of or a default (whether with or without the giving of notice or lapse of time or both) under (i) the Purchaser's organizational documents, (ii) any agreement to which the Purchaser is party, (iii) any law applicable to the Purchaser or (iv) any order, writ, judgment, injunction, decree, determination or award binding upon or affecting the Purchaser.

6.4 Purchase for Investment. The Purchaser is purchasing the Subordinated Note for its own account and not with a view to distribution and with no present intention of reselling, distributing or otherwise disposing of the same. The Purchaser has no present or contemplated agreement, undertaking, arrangement, obligation, Indebtedness or commitment providing for, or which is likely to compel, a disposition of the Subordinated Notes in any manner.

6.5 Institutional Accredited Investor. The Purchaser is and will be on the Closing Date either (i) an institutional “accredited investor” as such term is defined in Rule 501(a) of Regulation D and as contemplated by subsections (1), (2), (3) and (7) of Rule 501(a) of Regulation D, and has no less than \$5,000,000 in total assets, or (ii) a QIB.

6.6 Financial and Business Sophistication. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment in the Subordinated Notes. The Purchaser has relied solely upon its own knowledge of, and/or the advice of its own legal, financial or other advisors with regard to, the legal, financial, tax and other considerations involved in deciding to invest in the Subordinated Notes.

6.7 Ability to Bear Economic Risk of Investment. The Purchaser recognizes that an investment in the Subordinated Notes involves substantial risk. The Purchaser has the ability to bear the economic risk of the prospective investment in the Subordinated Notes, including the ability to hold the Subordinated Notes indefinitely, and further including the ability to bear a complete loss of all of the Purchaser’s investment in the Company.

6.8 Information. The Purchaser acknowledges that: (i) the Purchaser is not being provided with the disclosures that would be required if the offer and sale of the Subordinated Notes were registered under the Securities Act, nor is the Purchaser being provided with any offering circular or prospectus prepared in connection with the offer and sale of the Subordinated Notes; (ii) the Purchaser has conducted its own examination of the Company and the terms of the Subordinated Notes to the extent the Purchaser deems necessary to make its decision to invest in the Subordinated Notes; and (iii) the Purchaser has availed itself of publicly available financial and other information concerning the Company to the extent the Purchaser deems necessary to its decision to purchase the Subordinated Notes. The Purchaser has reviewed the information set forth in the Company’s Reports, the exhibits and schedules hereto and the information contained in the data room established by the Company in connection with the transactions contemplated by this Agreement.

6.9 Access to Information. The Purchaser acknowledges that the Purchaser and its advisors have been furnished with all materials relating to the business, finances and operations of the Company that have been requested by the Purchaser or its advisors and have been given the opportunity to ask questions of, and to receive answers from, persons acting on behalf of the Company concerning terms and conditions of the transactions contemplated by this Agreement in order to make an informed and voluntary decision to enter into this Agreement.

6.10 Investment Decision. The Purchaser has made its own investment decision based upon its own judgment, due diligence and advice from such advisors as it has deemed necessary and not upon any view expressed by any other person or entity, including the Placement Agent (or, with respect to the Indenture, the Trustee). Neither such inquiries nor any other due diligence investigations conducted by it or its advisors or representatives, if any, shall modify, amend or affect its right to rely on the Company’s representations and warranties contained herein. The Purchaser is not relying upon, and has not relied upon, any advice, statement, representation or warranty made by any Person by or on behalf of the Company, including the Placement Agent (or, with respect to the Indenture, the Trustee), except for the express statements, representations and warranties of the Company made or contained in this Agreement. Furthermore, the Purchaser acknowledges that (i) the Placement Agent has not performed any due diligence review on behalf of it and (ii) nothing in this Agreement or any other materials presented by or on behalf of the Company to the Purchaser in connection with the purchase of the Subordinated Notes constitutes legal, tax or investment advice.

6.11 Private Placement; No Registration; Restricted Legends. The Purchaser understands and acknowledges that the Subordinated Notes are being sold by the Company without registration under the Securities Act in reliance on the exemption from federal and state registration set forth in, respectively, Section 4(a)(2) of the Securities Act and Section 18 of the Securities Act, or any state securities laws, and accordingly, may be resold, pledged or otherwise transferred only if exemptions from the Securities Act and applicable state securities laws are available to it. The Purchaser is not subscribing for Subordinated Notes as a result of or subsequent to any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or presented at any seminar or meeting. The Purchaser further acknowledges and agrees that all certificates or other instruments representing the Subordinated Notes will bear the restrictive legend set forth in the form of Subordinated Note, which is attached as an exhibit to the Indenture. The Purchaser further acknowledges its primary responsibilities under the Securities Act and, accordingly, will not sell or otherwise transfer the Subordinated Notes or any interest therein without complying with the requirements of the Securities Act and the rules and regulations promulgated thereunder and the requirements set forth in this Agreement.

6.12 Placement Agent. The Purchaser will purchase the Subordinated Note(s) directly from the Company and not from the Placement Agent and understands that neither the Placement Agent nor any other broker or dealer has any obligation to make a market in the Subordinated Notes.

6.13 Tier 2 Capital. If the Company provides notice as contemplated in Section 5.3.5 of the occurrence of the event contemplated in such section, thereafter the Company and the Purchasers will work together in good faith to execute and deliver all agreements as reasonably necessary in order to restructure the applicable portions of the obligations evidenced by the Subordinated Notes to qualify as Tier 2 Capital; provided, however, that nothing contained in this Agreement shall limit the Company's right to redeem the Subordinated Notes upon the occurrence of a Tier 2 Capital Event as described in the Subordinated Notes.

6.14 Accuracy of Representations. The Purchaser understands that each of the Placement Agent and the Company will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements in connection with the transactions contemplated by this Agreement.

6.15 Representations and Warranties Generally. The representations and warranties of Purchaser set forth in this Agreement are true and correct as of the date hereof and will be true and correct as of the Closing Date and as otherwise specifically provided herein. Any certificate signed by a duly authorized representative of Purchaser and delivered to the Company or to counsel for the Company shall be deemed to be a representation and warranty by Purchaser to the Company as to the matters set forth therein.

7. **MISCELLANEOUS.**

7.1 Prohibition on Assignment by the Company. Except as described in Article VII of the Indenture, the Company may not assign, transfer or delegate any of its rights or obligations under this Agreement or the Subordinated Notes without the prior written consent of Purchasers.

7.2 Time of the Essence. Time is of the essence for this Agreement.

7.3 Waiver or Amendment. No waiver or amendment of any term, provision, condition, covenant or agreement herein shall be effective unless in writing and signed by all of the parties hereto. No failure to exercise or delay in exercising, by a Purchaser or any holder of the Subordinated Notes, of any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right or remedy provided by law. The rights and remedies provided in this Agreement are cumulative and not exclusive of any right or remedy provided by law or equity.

7.4 Severability. Any provision of this Agreement which is unenforceable or invalid or contrary to law, or the inclusion of which would adversely affect the validity, legality or enforcement of this Agreement, shall be of no effect and, in such case, all the remaining terms and provisions of this Agreement shall subsist and be fully effective according to the tenor of this Agreement the same as though any such invalid portion had never been included herein. Notwithstanding any of the foregoing to the contrary, if any provisions of this Agreement or the application thereof are held invalid or unenforceable only as to particular persons or situations, the remainder of this Agreement, and the application of such provision to persons or situations other than those to which it shall have been held invalid or unenforceable, shall not be affected thereby, but shall continue valid and enforceable to the fullest extent permitted by law.

7.5 Notices. Any notice which any party hereto may be required or may desire to give hereunder shall be deemed to have been given if in writing and if delivered personally, or if mailed, postage prepaid, by United States registered or certified mail, return receipt requested, or if delivered by a responsible overnight commercial courier promising next business day delivery, addressed:

if to the Company:

Limestone Bancorp, Inc.
2500 Eastpoint Parkway
Louisville, Kentucky 40223
Attention: Chief Financial Officer

with a copy to:

Wyatt, Tarrant & Combs, LLP
500 West Jefferson Street, Suite 2800
Louisville, Kentucky 40202
Attention: Cynthia W. Young

if to the Purchasers:

To the address indicated on such Purchaser's signature page.

or to such other address or addresses as the party to be given notice may have furnished in writing to the party seeking or desiring to give notice, as a place for the giving of notice; provided that no change in address shall be effective until five (5) Business Days after being given to the other party in the manner provided for above. Any notice given in accordance with the foregoing shall be deemed given when delivered personally or, if mailed, three (3) Business Days after it shall have been deposited in the United States mails as aforesaid or, if sent by overnight courier, the Business Day following the date of delivery to such courier (provided next business day delivery was requested).

7.6 Successors and Assigns. This Agreement shall inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns; except that, unless a Purchaser consents in writing, no assignment made by the Company in violation of this Agreement shall be effective or confer any rights on any purported assignee of the Company. The term "successors and assigns" will not include a purchaser of any of the Subordinated Notes from any Purchaser merely because of such purchase.

7.7 No Joint Venture. Nothing contained herein or in any document executed pursuant hereto and no action or inaction whatsoever on the part of a Purchaser, shall be deemed to make a Purchaser a partner or joint venturer with the Company.

7.8 Documentation. All documents and other matters required by any of the provisions of this Agreement to be submitted or furnished to a Purchaser shall be in form and substance satisfactory to such Purchaser.

7.9 Entire Agreement. This Agreement and the Subordinated Notes along with the exhibits thereto constitute the entire agreement between the parties hereto with respect to the subject matter hereof and may not be modified or amended in any manner other than by supplemental written agreement executed by the parties hereto. No party, in entering into this Agreement, has relied upon any representation, warranty, covenant, condition or other term that is not set forth in this Agreement, the Indenture, or in the Subordinated Notes.

7.10 Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to its laws or principles of conflict of laws. Nothing herein shall be deemed to limit any rights, powers or privileges which a Purchaser may have pursuant to any law of the United States of America or any rule, regulation or order of any department or agency thereof and nothing herein shall be deemed to make unlawful any transaction or conduct by a Purchaser which is lawful pursuant to, or which is permitted by, any of the foregoing.

7.11 No Third Party Beneficiary. This Agreement is made for the sole benefit of the Company and the Purchasers, and no other Person shall be deemed to have any privity of contract hereunder nor any right to rely hereon to any extent or for any purpose whatsoever, nor shall any other Person have any right of action of any kind hereon or be deemed to be a third party beneficiary hereunder; *provided*, that the Placement Agent may rely on the representations and warranties contained herein to the same extent as if they were a party to this Agreement.

7.12 Legal Tender of United States. All payments hereunder shall be made in coin or currency which at the time of payment is legal tender in the United States of America for public and private debts.

7.13 Captions; Counterparts. Captions contained in this Agreement in no way define, limit or extend the scope or intent of their respective provisions. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. In the event that any signature is delivered by facsimile transmission, or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile signature page were an original thereof.

7.14 Knowledge; Discretion. All references herein to a Purchaser’s or the Company’s knowledge shall be deemed to mean the knowledge of such party based on the actual knowledge of such party’s Chief Executive Officer and Chief Financial Officer or such other persons holding equivalent offices. Unless specified to the contrary herein, all references herein to an exercise of discretion or judgment by a Purchaser, to the making of a determination or designation by a Purchaser, to the application of a Purchaser’s discretion or opinion, to the granting or withholding of a Purchaser’s consent or approval, to the consideration of whether a matter or thing is satisfactory or acceptable to a Purchaser, or otherwise involving the decision making of a Purchaser, shall be deemed to mean that such Purchaser shall decide using the reasonable discretion or judgment of a prudent lender.

7.15 Waiver Of Right To Jury Trial. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THAT THEY MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION ARISING IN ANY WAY IN CONNECTION WITH ANY OF THE TRANSACTION DOCUMENTS, OR ANY OTHER STATEMENTS OR ACTIONS OF THE COMPANY OR THE PURCHASERS. THE PARTIES ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL SELECTED OF THEIR OWN FREE WILL. THE PARTIES FURTHER ACKNOWLEDGE THAT (I) THEY HAVE READ AND UNDERSTAND THE MEANING AND RAMIFICATIONS OF THIS WAIVER, (II) THIS WAIVER HAS BEEN REVIEWED BY THE PARTIES AND THEIR COUNSEL AND IS A MATERIAL INDUCEMENT FOR ENTRY INTO THIS AGREEMENT AND (III) THIS WAIVER SHALL BE EFFECTIVE AS TO EACH OF SUCH TRANSACTION DOCUMENTS AS IF FULLY INCORPORATED THEREIN.

7.16 Expenses. Except as otherwise provided in this Agreement, each of the parties will bear and pay all other costs and expenses incurred by it or on its behalf in connection with the transactions contemplated pursuant to this Agreement.

7.17 Survival. Each of the representations and warranties set forth in this Agreement shall survive the consummation of the transactions contemplated hereby for a period of one year after the date hereof. Except as otherwise provided herein, all covenants and agreements contained herein shall survive until, by their respective terms, they are no longer operative.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Company has caused this Subordinated Note Purchase Agreement to be executed by its duly authorized representative as of the date first above written.

COMPANY:

LIMESTONE BANCORP, INC.

By: _____

Name: John T. Taylor

Title: President and Chief Executive Officer

[Company Signature Page to Subordinated Note Purchase Agreement]

IN WITNESS WHEREOF, the Purchaser has caused this Subordinated Note Purchase Agreement to be executed by its duly authorized representative as of the date first above written.

PURCHASER:

[INSERT PURCHASER'S NAME]

By: _____

Name: [●]
Title: [●]

Address of Purchaser:

[●]

Principal Amount of Purchased Subordinated Note:

\$(●)

[Purchaser Signature Page to Subordinated Note Purchase Agreement]

SCHEDULE 4.1.1.2
COMPANY SUBSIDIARIES

Name of Subsidiary

Limestone Bank, Inc.
IBP 1, LLC
IBP 2, LLC
PBI Title Services, LLC
PBIB Corporation, Inc.
Ascencia Statutory Trust I
Porter Statutory Trust II
Porter Statutory Trust III
Porter Statutory Trust IV

**State/Jurisdiction of
Incorporation/Organization**

Kentucky
Kentucky
Kentucky
Kentucky
Delaware
Delaware
Delaware
Delaware

EXHIBIT A

INDENTURE

EXHIBIT B

OPINION OF COUNSEL

1. Based solely on the Certificates of Existence and other certificates provided to our Firm by the Company and the Bank, each of the Company and the Bank is (i) duly organized and validly existing under the laws of the Commonwealth of Kentucky, and (ii) duly qualified or licensed to do business and is in good standing as a foreign corporation, partnership or other entity as the case may be, authorized to do business in each jurisdiction in which the nature of such businesses or the ownership or leasing of such properties requires such qualification, except where the failure to be so qualified would not, individually or in the aggregate, have a Material Adverse Effect.

2. Each of the Company and the Bank has all requisite corporate power and authority to carry on its business and to own, lease and operate its properties and assets.

3. The Company has the corporate power and authority to execute, deliver, and perform its obligations under the Transaction Documents to which it is a party and to consummate the transactions contemplated by the Transaction Documents.

4. Each of the Agreement and the Indenture has been duly and validly authorized, executed, and delivered by the Company, and each of the Agreement and the Indenture will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except that the enforcement thereof may be subject to (i) bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance, fraudulent transfer or other similar laws now or hereafter in effect relating to creditors' rights generally and (ii) general principles of equity (whether applied by a court of law or equity) and the discretion of the court before which any proceeding therefor may be brought.

5. The Subordinated Notes have been duly and validly authorized by the Company and when issued by the Company, authenticated by the Trustee and delivered to and paid for by the Purchasers in accordance with the terms of the Agreement and the Subordinated Notes, will have been duly executed, authenticated, issued and delivered and will constitute legal, valid and binding obligations of Company, enforceable against Company in accordance with their terms, except that the enforcement thereof may be subject to (i) bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance, fraudulent transfer or other similar laws now or hereafter in effect relating to creditors' rights generally and (ii) general principles of equity (whether applied by a court of law or equity) and the discretion of the court before which any proceeding therefor may be brought.

6. The execution and delivery by the Company of the Agreement and the Indenture do not, and the performance by it of its obligations thereunder will not, (i) result in a violation by the Company of any Kentucky statute or any rule or regulation thereunder or (ii) result in a violation of the Company's Articles of Incorporation or Bylaws.

7. Assuming the accuracy of the representations and warranties of each of the Purchasers set forth in the Agreement, the Subordinated Notes to be issued and sold by the Company to Purchasers pursuant to the Agreement will be issued in a transaction exempt from the registration requirements of the Securities Act.

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Section 6: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1

Limestone Bank to Acquire 4 Branch Banking Centers

Limestone Bancorp Closes Private Placement of Subordinated Notes

Makes \$10.0 Million Capital Contribution to Limestone Bank; Reduces Senior Debt \$5.0 Million

LOUISVILLE, Ky.--(BUSINESS WIRE)--July 25, 2019--Limestone Bancorp, Inc. (the "Company") (NASDAQ: LMST), parent company of Limestone Bank, announced today that Limestone Bank has entered into a material definitive agreement to acquire four branch banking centers located in the Kentucky cities of Elizabethtown, Frankfort, and Owensboro from Louisville, Kentucky based Republic Bank and Trust ("Republic Bank"), a subsidiary of Republic Bancorp, Inc. (NASDAQ: RBCAA). The purchase includes \$153 million in deposits and \$112 million in loans. In addition, Limestone will acquire substantially all the fixed assets of these locations. The transaction has received approvals from each party's board of directors and is expected to close in the fourth quarter of 2019, subject to regulatory approvals and other customary closing conditions.

John T. Taylor, president and chief executive officer of Limestone Bank said, "We are pleased to enter into this agreement to acquire four banking centers from Republic Bank which are located in both our existing markets and in nearby contiguous counties. The acquisition will allow Limestone Bank to increase its market share and better serve customers in Owensboro through the addition of two branches, and to grow its geographic footprint with entry into the Frankfort and Elizabethtown markets. The Elizabethtown location will allow us to bridge a gap in our footprint along I-65, and the Frankfort location will provide another point of access along I-64 between our Louisville and Lexington facilities." Taylor continued, "I am also extremely excited about the talented sales and service staff joining our organization as a result of this acquisition."

The transaction includes an all-in blended deposit premium of approximately 6% which will result in preliminarily estimated goodwill and core deposit intangibles of approximately \$9.3 million. This results in tangible book value dilution of approximately 9%. The tangible book value earn back period based upon preliminary earnings estimates for the acquired branches is expected to be less than three years. The final calculated premium will be primarily based on the trailing 10-day average amount of the deposits as of the closing date, as well as the branch location for the deposits.

Limestone Bancorp also announced today it completed the private placement issuance of \$17.0 million of subordinated notes. Raymond James served as placement agent in the transaction. The subordinated notes will bear interest at 5.75% for five years and then the interest rate will reset quarterly at three-month LIBOR + 395 basis points for the remaining five years. Unless redeemed earlier, the notes will mature on July 31, 2029. The Company may redeem the notes at its option beginning July 31, 2024. The subordinated notes meet the requirements to qualify as Tier 2 capital for the Company.

The Company contributed \$10.0 million of the issuance proceeds to the Bank as Common Equity Tier-1 Capital and reduced its senior debt by \$5.0 million. The remaining proceeds will be used for general corporate purposes. Janney Montgomery Scott LLC acted as financial advisor to Limestone Bancorp and Wyatt, Tarrant & Combs, LLP acted as the Company's legal counsel.

Non-GAAP Financial Measures Reconciliation

Tangible book value per common share is a non-GAAP financial measure derived from GAAP-based amounts. Tangible book value per common share is calculated by excluding the balance of intangible assets from common stockholders' equity. Tangible book value per common share is calculated by dividing tangible common equity by common shares outstanding, as compared to book value per common share, which is calculated by dividing common stockholders' equity by common shares outstanding. Management believes this is consistent with bank regulatory agency treatment, which excludes tangible assets from the calculation of risk-based capital.

	As of 6/30/2019	Proforma (1) 6/30/2019
Tangible Book Value Per Share		
Common shareholder's equity	\$ 101,422	\$ 101,422
Less: Intangible assets	-	(9,300)
Tangible common equity	<u>\$ 101,422</u>	<u>\$ 92,122</u>
Shares outstanding	<u>7,457,832</u>	<u>7,457,832</u>
Tangible book value per common share	\$ 13.60	\$ 12.35
Book value per common share	\$ 13.60	\$ 13.60
Dilution \$		\$ 1.25
Dilution %		9%

(1) Proforma effect of preliminarily estimated deposit intangible and goodwill on tangible common equity.

About Limestone Bancorp, Inc.

Limestone Bancorp, Inc. (NASDAQ: LMST) is a Louisville, Kentucky-based bank holding company which operates banking centers in 12 counties through its wholly-owned subsidiary Limestone Bank. The Bank's markets include metropolitan Louisville in Jefferson County and the surrounding counties of Henry and Bullitt, and extend south along the Interstate 65 corridor. The Bank serves southern and south central Kentucky from banking centers in Butler, Green, Hart, Edmonson, Barren, Warren, Ohio and Daviess counties. The Bank also has a banking center in Lexington, Kentucky, the second largest city in the state. Limestone Bank is a traditional community bank with a wide range of personal and business banking products and services.

Forward-Looking Statements

Statements in this press release relating to Limestone Bancorp's plans, objectives, expectations or future performance are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe," "may," "should," "anticipate," "estimate," "expect," "intend," "objective," "possible," "seek," "plan," "strive" or similar words, or negatives of these words, identify forward-looking statements that involve risks and uncertainties. These forward looking statements include statements related to the expecting timing and benefits of the proposed branch acquisition and estimates of deposits, loans and other assets to be acquired. Although the Company's management believes the assumptions underlying the forward-looking statements contained herein are reasonable, any of these assumptions could be inaccurate. Therefore, there can be no assurance the forward-looking statements included herein will prove to be accurate. Factors that could cause actual results to differ from those discussed in forward-looking statements include, but are not limited to: economic conditions both generally and more specifically in the markets in which the Company and its subsidiaries operate; competition for the Company's customers from other providers of financial services; government legislation and regulation, which change from time to time and over which the Company has no control; changes in interest rates; material unforeseen changes in liquidity, results of operations, or financial condition of the Company's customers; and other risks detailed in the Company's filings with the Securities and Exchange Commission, all of which are difficult to predict and many of which are beyond the control of the Company. See Risk Factors outlined in the Company's Form 10-K for the year ended December 31, 2018.

Contacts

John T. Taylor
Chief Executive Officer
(502) 499-4800

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