

BID FORM

Subject to the terms and conditions of the Kentucky Rural Water Finance Corporation (the "Issuer"), providing for the sale of \$10,010,000* (subject to an adjustment upward in the amount of \$1,000,000 or downward in any amount) of Kentucky Rural Water Finance Corporation Public Projects Refunding and Improvement Revenue Bonds (Flexible Term Program), Series 2018A, dated the date of issuance, and in accordance with the Official Terms and Conditions of Bond Sale, to all of which the undersigned agrees, the undersigned hereby submits the following offer to purchase said Bonds.

We hereby bid for said \$10,010,000* principal amount of Bonds, the total sum of \$_____ (not less than \$9,934,925), at the following annual rate(s), payable semiannually:

<u>Maturity</u> <u>February 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest Rate</u>
2019	\$8,410,000	_____ %
2020	1,600,000	_____ %

**Subject to Adjustment*

Bidder's Term Bonds Option: We hereby elect to specify that all the principal amount of Bonds stated to mature on the following two or more consecutive maturity dates shall be combined to comprise the maturities of Term Bonds indicated below:

<u>Bonds Maturing</u>	<u>Term Bonds Maturing</u>
February 1, ____ through February 1, ____	February 1, ____

It is understood that the Issuer will furnish the final, approving legal opinion and opinion regarding tax exemption of Rubin & Hays, Louisville, Kentucky, subject to the provisions as set out in detail in the Official Terms and Conditions of Bond Sale. It is understood that if we are the successful bidder, we will deposit for the account of the Corporation with Regions Bank, Nashville, Tennessee, prior to the close of business on the day following the acceptance of our bid, a good faith deposit in the amount of \$200,200. The amount of the good faith deposit will be deducted (without interest) from the purchase price at the time of delivery of the Bonds. If we are the successful bidder, we agree to accept and make payment for the Bonds in accordance with the terms of the sale.

Respectfully submitted,

Name of Firm

By _____
Phone No. _____

Total interest cost from January 30, 2018 to final maturity	\$ _____
Plus discount (less premium)	\$ _____
Net interest cost	\$ _____
True interest cost (TIC)	_____ %

The above computation of net interest cost is submitted for information only and is not a part of this Bid. The determination of the best bid will be made on the basis of the lowest true interest cost (TIC).

ACCEPTANCE OF BID

Accepted by the Kentucky Rural Water Finance Corporation, on this January 23, 2018, for a total of \$_____ of Bonds at an adjusted price of \$_____, with the maturities set out in Exhibit A attached hereto.

KENTUCKY RURAL WATER
FINANCE CORPORATION

Attest:

President

Secretary

EXHIBIT A

The attached bid was accepted as to \$_____ of Bonds, at the adjusted price set out above bearing the following maturities and interest rates:

<u>Maturity</u> <u>February 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>
2019	_____	_____ %
2020	_____	_____ %

Dated this January 23, 2018.

KENTUCKY RURAL WATER
FINANCE CORPORATION

President