

## MASTER LOAN PARTICIPATION AGREEMENT

This MASTER LOAN PARTICIPATION AGREEMENT (the "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between HOPE OF KENTUCKY, LLC, a Kentucky limited liability company ("HOPE") and \_\_\_\_\_ Bank, a \_\_\_\_\_ corporation/association ("Participant").

### WITNESSETH:

WHEREAS, HOPE is a wholly-owned subsidiary of the Kentucky Bankers Association (the "KBA"), and all members of the KBA, and approved non-members of the KBA, are eligible to become participants with HOPE in the Loans (each such participating member of KBA and approved non-members of KBA is referred to as a "Participating Member"); and

WHEREAS, HOPE is engaged in the business of originating loans secured by first liens upon parcels of real property and made in furtherance of the objectives of the Community Reinvestment Act (individually, a "Loan", and collectively, the "Loans"); and

WHEREAS, HOPE sells undivided percentage ownership interests ("Participation Interests") in each of the Loans to Participating Members, and desires to make Participation Interests available for purchase by Participant; and

WHEREAS, Participant is a Participating Member, understands the risks associated with loans for low income housing projects and the complexity associated with obtaining tax credits related to such projects, and desires to purchase Participation Interests in some or all of the Loans originated by HOPE after the date hereof; and

WHEREAS, the parties desire for this Agreement to govern all Participation Interests that Participant purchases or commits to purchase now or in the future pursuant to this Agreement.

NOW THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein and for other good and valuable consideration, the mutuality, receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

### ARTICLE I

#### SALE OF PARTICIPATION INTEREST

1.1. Offers of Participation Interests. HOPE shall from time to time submit to Participant offers to sell Participation Interests in pools of Loans being originated by HOPE. Each such pool of Loans shall be designated by a particular number, such as Pool No. 1, Pool No. 2, etc. Each such offer will contain a copy of HOPE's underwriting package with respect to the pool, or a summary of the package, as well as information regarding interest rates, discounts and other terms of the Loans in the pool. In addition, HOPE shall provide Participant with all other available information and documents reasonably requested by Participant, including any

available additional information regarding the proposed borrower, the low income housing project for which the Loans would be made, and the experience of the proposed borrower in managing and syndicating such projects and in qualifying for tax credits related to low income housing. Each such offer to sell Participation Interests shall be accompanied by a Commitment to Participate in the form attached hereto as Exhibit A (a “Commitment”). If Participant desires to purchase a Participation Interest, Participant shall complete, execute and return the Commitment to evidence its agreement to purchase the percentage Participation Interest set forth in the Commitment.

1.2. Creation of Pools. HOPE will not retain an equity ownership interest in any of the Loans. When Participant and other Participating Members have delivered to HOPE Commitments totaling at least 100% of the amounts necessary to close the Loans in the pool, HOPE shall use its best efforts to prepare each of the Loans in such pool for closing no later than the estimated funding date set forth in Participant’s Commitment. When each of the Loans in the contemplated pool has been closed or is ready for closing, HOPE shall so notify Participant and Participant shall, unconditionally and without regard to the status of any particular Loan or Loans, pay to HOPE an amount equal to the product of (i) its agreed percentage Participation Interest in such pool of Loans, multiplied by (ii) the total investment of HOPE at that time in the Loans constituting such pool plus all additional amounts necessary to close such Loans in accordance with the terms of such Loans. The notice from HOPE to Participant described above shall set forth the purchase price Participant is to pay for its Participation Interest in each Loan in the pool, calculated as set forth in the preceding sentence, and Participant agrees to honor its Commitment even if the aggregate principal amount of the Loans in such pool is less than the aggregate principal amount originally estimated in the Commitment relating to such pool. In the event HOPE has received Commitments aggregating more than 100% of the contemplated pool, each Commitment shall be reduced proportionately.

1.3. Sale of Participation Interests. Each Participation Interest in a pool of Loans sold to Participant as described in Section 1.2 above shall be subject to and governed by this Agreement, and shall constitute the sale and assignment by HOPE to Participant, and the purchase and acceptance by Participant from HOPE, of an undivided percentage ownership interest in each Loan in such pool equal to Participant’s Percentage as set forth on the Participation Certificate described in Section 1.4 below. Each sale by HOPE to Participant under this Agreement is without warranty by, or recourse to, HOPE except to the extent expressly set forth in Article II.

1.4. Participation Certificates. Upon payment of the purchase price by Participant with respect to a pool of Loans pursuant to Section 1.2 above, HOPE shall deliver to Participant a Participation Certificate in the form on Exhibit B attached hereto evidencing Participant’s Participation Interest in each such Loan. The meanings of any defined terms in the Participation Certificate shall apply to the extent such terms are also used in this Agreement and not otherwise defined herein.

1.5. Accounting of Participation. HOPE and Participant will reflect each transaction hereunder on their respective balance sheets, accounting and reporting records, and other financial statements, as a purchase of a Participation Interest in each Loan by Participant and a sale of a Participation Interest in each Loan by HOPE.

1.6. Ownership of Loans. Upon Participant's payment of the purchase price for the Participation Interest in a pool of Loans, Participant shall immediately become vested, to the extent of its Participation Interest, with equity ownership of each Loan in the pool, the promissory note evidencing such Loan (the "Note"), the mortgage securing such (the "Mortgage") and all other documents evidencing, securing or governing such Loan (collectively, the "Other Documents"). (Each such Note, Mortgage and Other Documents are sometimes collectively referred to in this Agreement as the "Loan Instruments"). HOPE shall hold legal title to each such Loan and to the Loan Instruments as trustee for Participant and the other Participating Members who hold Participation Interests in such Loan. Although HOPE holds such title in trust for Participant and other Participating Members, the duties and standard of care imposed upon Participant in carrying out its obligations hereunder are set forth in other provisions of this Agreement, and such other provisions alone shall establish and govern HOPE's duties and standard of care.

1.7. Subparticipation, Assignment or Transfer. Participant shall not subparticipate, assign or transfer all or any part of any of its Participation Interests without HOPE's prior written consent; provided, however, Participant may, upon prior written notice to HOPE, but without HOPE's consent, subparticipate all or any part of a Participation Interest to any of Participant's subsidiaries of which Participant owns at least eighty percent (80%) of the outstanding stock, as long as (a) such subparticipation does not create a Participation Interest of less than ten percent (10%) of any Loan, (b) Participant remains primarily responsible for the performance of its obligations under this Agreement, and (c) HOPE is not obligated to any owner of an interest in the Loan other than Participant.

1.8. Disclaimer by HOPE. HOPE does not guarantee the payment of any Note and makes no representation or warranty with respect to the financial condition, experience, knowledge, business affairs, or any other matter affecting the creditworthiness of the party or parties executing any Note ("Borrower"). HOPE shall have no duties or responsibilities to Participant except as expressly provided in this Agreement. HOPE shall not be responsible or liable in any manner to Participant for the effectiveness, enforceability, genuineness, validity or due execution of the Loan Instruments.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of HOPE. As of the date each Loan is closed, HOPE represents and warrants to Participant with respect to Participant's purchase of a Participation Interest in such Loan that:

(a) The Loan was made by HOPE pursuant to and in compliance with all applicable federal and state laws, rules and regulations;

(b) HOPE is the owner of the Participation Interest sold to Participant under this agreement and is authorized to sell such Participation Interest to Participant;

(c) HOPE has in its possession the original of (i) Borrower's loan application, (ii) the Note and Mortgage, (iii) an appraisal of the real property covered by the Mortgage

("Property"), (iv) a lender's title insurance policy in an amount not less than the face amount of the Note insuring that the Mortgage is the first lien of record against the Property, (v) documentation showing HOPE's compliance with applicable adjustable mortgage loan disclosure laws and regulations, and (vi) for each rental project over four units, the Regulatory Agreement governing the management and operation of said project. A copy of each of the documents described above shall be delivered by HOPE to Participant with Participant's Participation Certificate for each such Loan; and

(d) To the best of HOPE's knowledge, the Loan Instruments are genuine, valid and enforceable (except to the extent affected by insolvency laws and subject to general equitable principles).

2.2 Representations and Warranties of Participant. As of the date Participant advances the purchase price for each Participation Interest it purchases hereunder, Participant represents and warrants to HOPE that:

(a) Participant is authorized to purchase the Participation Interest from HOPE, and such purchase has been approved by Participant's Board of Directors or an appropriately authorized loan committee of Participant;

(b) Participant has received all information and documents it requested with respect to the Borrower, the Property, the low income housing project for which the Loan is being made, or any other matter related to its decision to purchase the Participation Interest, and understands and accepts the risks associated with loans for low income housing projects and loans for projects expected to generate tax credits related to low income housing.

(c) Participant has conducted an independent due diligence with respect to its purchase of the Participation Interest and is not relying on any statements or representations of HOPE other than those contained in Section 2.1; and

(d) Participant will, independently and without reliance on HOPE, and based on such information as Participant deems appropriate, continue to make its own decisions with respect to each Participation Interest it has purchased hereunder.

### ARTICLE III

#### SERVICING THE LOANS

3.1 Appointment of Servicer. Participant hereby appoints HOPE as Participant's exclusive servicer in connection with the administration of each Loan, and HOPE hereby accepts such appointment. HOPE shall at all times during the term of this Agreement remain the servicing agent for Participant in the administration of each Loan.

3.2 HOPE's Servicing Authority. Subject to the specific limitations contained in this Article, HOPE shall have the complete authority to service each Loan and to take all actions necessary or desirable in accordance therewith, including consenting to assumption transactions to the extent provided under the Loan Instruments. Notwithstanding the foregoing sentence, HOPE shall not, without the prior written consent of Participants holding in the aggregate a

majority interest (based on relative Participation Interests) in the applicable Loan (“Majority in Interest”): (i) extend the maturity of any payment of principal of or interest on a Loan, (ii) reduce the principal amount of or rate of interest on a Loan, (iii) increase the principal amount of a Loan to an amount in excess of the maximum principal amount of the Note, (iv) release, modify or permit the substitution of any collateral covering the payment of a Loan, (v) make any change in the provisions of the Loan Instruments defining Events of Default, or (vi) release any Borrower, guarantor, or other person or entity obligated under any Loan Instrument except as provided in the Loan Instruments.

### 3.3 Borrower’s Default Under the Loan Instruments.

(a) After an Event of Default (as such term is defined in the Loan Instruments) by a Borrower, the decision whether to accelerate indebtedness, to pursue foreclosure under the Mortgage, to accept a deed in lieu of foreclosure, to consent to the modification of any Loan Instruments, or to take other action with respect to the Borrower or the Loan, shall be made by a Majority in Interest. If during such an Event of Default a Majority in Interest determines to proceed to collect the amounts then due under the Loan and Note, HOPE shall proceed to collect, in such manner and by such means as it shall deem proper in its sole discretion, including, but not limited to, the enforcement of any security interest, mortgage or lien, any amounts due and owing from Borrower with respect to the Note and the Loan; provided, however, following such an Event of Default, upon receipt by HOPE of written direction as to any of such matters from a Majority in Interest, HOPE shall immediately take all steps necessary and appropriate to comply with such direction. Participant hereby waives any claim or cause of action that it may have against HOPE as a result of the management, administration and enforcement of the Loan except as the result of gross negligence or willful misconduct on the part of HOPE.

(b) If, following an Event of Default described in subparagraph (a) above in which the Majority in Interest determines to collect the amounts then due under the Loan and Note, Participant is holding any deposit balance or other sums to or for the credit or account of the Borrower, to the extent permitted by law, Participant shall exercise its right of offset or setoff with respect thereto and shall deposit such sums with HOPE as part of the collected funds. Similarly, in the event that HOPE shall receive any such payment through the exercise of any right of such set-off or otherwise on account of the Loan, or any amount realized in connection with the disposition of any security for the Loan, such payment received or amount realized shall be distributed in accordance with the terms of Section 3.5 below.

(c) Participant shall receive that portion of the collected funds (less Participant's share of collection costs as provided for in Section 3.6 below) calculated on the basis of the total amount of the Loan disbursed as has been actually funded by Participant as of such date.

(d) Costs of collection, including, but not limited to, court costs, attorneys' fees and the costs of assembling and selling any collateral, which costs are not collected from Borrower, shall be shared between HOPE and Participant in accordance with that percentage of the total Loan disbursed as has been actually funded by each as of the date such expenses and costs are incurred. Participant's share of the expenses of collection shall be deducted from Participant's share of the funds due from Borrower actually collected.

3.4 Degree of Care. HOPE will exercise the same degree of care in performing servicing functions for the Loans as HOPE would exercise with respect to the administration and servicing of loans for HOPE's own account; provided, however, in no event shall HOPE be liable to Participant in connection with servicing a Loan unless Participant suffers damages as a result of HOPE's gross negligence or willful misconduct. HOPE may consult with legal counsel, independent accountants and other experts, and shall not be liable to Participant for any action taken or omitted in good faith in reliance on the advice of such person.

3.5 Collection and Delivery of Loan Proceeds. HOPE, as Participant's agent, shall collect and receive Participant's portion of any and all amounts of principal and interest due to Participant under the Loan Instruments executed with respect to each Loan. By the fifth (5<sup>th</sup>) business day of each month HOPE shall remit to Participant all of such sums that HOPE received prior to the twenty-fifth (25<sup>th</sup>) day of the preceding month. Participant's portion of collections received in servicing the Loans shall be deposited by HOPE into custodial deposit account(s) at FDIC-insured institutions to be held in trust for Participant pending settlement with Participant. HOPE shall not commingle any collections with HOPE's operational funds. Participant is entitled to receive its portion of principal and interest only out of amounts of principal and interest actually collected by HOPE from the Borrower or from the Borrower's account.

3.6 Payment of Costs by Participants. HOPE may incur expenses, including without limitation, attorneys' fees, disbursements and court costs, in order to (a) collect amounts due under Loan Instruments, or (b) enforce, manage, protect or defend a Loan or the Loan Instruments, security or Property related thereto. Such costs may include advances to pay taxes or insurance premiums for such Property. Participant hereby agrees to pay its proportionate share, based on its Participation Interest in such Loan, of all such costs and expenses within seven (7) days of written notice from HOPE.

3.7 HOPE's Servicing Fee.

(a) Notwithstanding anything contained herein to the contrary, accrued interest to be paid to Participant with respect to a Loan shall be calculated at a rate that equals the rate of interest which actually is paid pursuant to the terms of the Note for that Loan less the Percentage Fee set forth on the Participation Certificate for such Loan. The excess of interest collected by HOPE over the interest to be paid Participant shall be retained by HOPE as a fee for ordinary servicing of the Loan. HOPE shall be entitled to retain, as compensation for its ordinary origination and servicing functions, any commitment, origination, loan, application, or similar fee, and any late or other default charge or assumption fee that may be received with respect to a Loan

(b) The cost of any extraordinary services which may be necessary in servicing a Loan, including but not limited to foreclosure of a Mortgage, property maintenance and improvement, property management, the sale of any foreclosed real estate, and the modification of any Loan Instruments, shall be contracted by HOPE at its customary cost for such services. Participant agrees to pay its proportionate share, based on its Participation Interest for such Loan, of such costs within seven (7) days of written notice from HOPE.

(c) If servicing costs and expenses of HOPE exceed HOPE's servicing income with respect to any pool of Loans, HOPE may increase its service fee accordingly from time to time; provided, however, that in such event a Majority in Interest may elect to appoint a Participating Member to service such pool of Loans for the servicing fee in effect prior to such increase if such Participating Member agrees to assume the servicing responsibilities hereunder.

### 3.8 Records.

(a) HOPE will maintain a complete set of books and records regarding each Loan. HOPE will hold the Loan Instruments as trustee for the benefit of Participant and other holders of Participation Interests to the extent of their respective Participation Interests therein, and will mark the files in which such Loan Instruments are kept to reflect Participant's Interest in such Loan.

(b) Participant and its representatives, including any federal regulatory agency with jurisdiction over Participant, will have the right at any and all times during normal business hours to request and have access to and examine and photocopy at their respective cost and expense, any and all books, records, and documents relating to this Agreement or any Loan in which Participant has a Participation Interest.

(c) An original executed counterpart of this Agreement and of each Commitment, a copy of each Participation Certificate and each other document delivered by HOPE to Participant pursuant to Section 2.1 (c) above, and a copy of each other document and agreement executed by Participant and HOPE pursuant to this Agreement, shall be continuously maintained by Participant, from the time of the execution and delivery of each such document, as an official record of Participant at Participant's principal office.

3.9 Default by HOPE. If (a) HOPE files a petition under any provision of bankruptcy law or any such petition is filed against HOPE, or if any receiver, conservator or similar custodian is appointed with respect to all or a substantial portion of HOPE's assets, or HOPE makes any assignment for the benefit of creditors, or (b) any public or supervisory authority appoints any person or firm to assume charge of HOPE or its assets, or (c) HOPE materially breaches any covenant or agreement herein and such breach has not been cured within thirty (30) days after notice to HOPE of the breach, then a Majority in Interest in any pool may transfer all rights and responsibilities which HOPE may have regarding the servicing of the Loans in such pool to a successor servicer. In such event, HOPE will cooperate in the transfer of servicing to the successor servicer, and all Loan Instruments and records relating to the Loans in such pool shall be delivered, together with necessary or proper assignments, transfers, and documents of authority, to the successor servicer.

3.10 Resignation as Servicer. HOPE shall be entitled to resign as Participant's servicer of any Loan by giving Participant not less than ninety (90) days advance notice. In the event of such resignation, HOPE shall cooperate in transferring the servicing of such Loan to a successor servicer.

## ARTICLE IV

### MISCELLANEOUS PROVISIONS

4.1 Indemnification. HOPE and its officers, directors, agents, and attorneys shall be indemnified and held harmless by Participant from and against any and all liabilities, costs and expenses, including reasonable attorneys' fees and court costs, arising from any claim, demand, action, suit or proceeding associated with (a) any representation or warranty made by Participant that proves to be false, or (b) any failure by Participant to fully comply with its obligations under this Agreement. Participant's indemnity obligations under this section shall survive termination of this Agreement.

4.2 Set-off. HOPE shall have the right to set off any amounts Participant may owe HOPE against amounts HOPE owes Participant under this Agreement.

4.3 Independent Contractor. HOPE and Participant shall not be considered partners or joint venturers, or debtors or creditors of each other, and HOPE shall be deemed an independent contractor in originating or acquiring Loans, selling Participation Interests, and carrying out its servicing obligations with respect to Participant's Participation Interests.

4.4 Termination. This Agreement may be terminated by either party for any reason upon thirty (30) days written notice to the other party. Participant acknowledges that such termination may occur, for example, when HOPE decides to change the terms under which HOPE desires to sell Participation Interests in Loans made after such change of terms takes effect. In addition, Participant acknowledges that it may withdraw as a Participant. These circumstances include Participant's breach of this Agreement and Participant's failure to comply with the purchase obligations imposed upon Participant herein. Following termination of this Agreement, HOPE shall no longer be obligated hereunder to offer Participation Interests to Participant, and Participant shall no longer be entitled hereunder to purchase Participation Interests. This Agreement shall otherwise continue in effect with respect to all Participation Interests owned by Participant at the time of such termination, and at the option of HOPE, shall also continue in effect with respect to any Commitments outstanding at that time and to any Participation Interests purchased by Participant pursuant to such Commitments. The parties shall comply with their respective obligations hereunder relating to such Participation Interests and to such Commitments if HOPE so elects.

4.5 Effect of Article and Section Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

4.6 Entire Agreement; Amendment; Waiver. This Agreement and the documents attached hereto as exhibits embody the entire agreement between the parties hereto relating to the subject matter hereof and supersede all prior negotiations, agreements and understandings relating to the subject matter hereof. This Agreement may not be amended by written agreement of the parties. No waiver by a party of any rights under this Agreement shall be effective unless in a writing signed by such party.



4.7 Invalid Provisions. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

4.8 Notice. Any notice required or permitted under this Agreement must be in writing and shall be given by certified or registered U. S. mail or such other method for which receipt is documented. A party shall give the other party notice at the address for the other party specified in the Participation Certificate; provided, however, that a party may designate by notice to the other party another address to which notices shall thereafter be given.

4.9 Attorneys' Fees. In any legal action, arbitration, or other proceeding brought to enforce or interpret this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and other costs incurred in that proceeding in addition to any other relief to which it is entitled.

4.10 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

4.11 Controlling Law. This Agreement shall be construed in accordance with the laws of the Commonwealth of Kentucky. This Agreement shall bind the respective parties hereto, their successors and assigns.

4.12 Representation; No Security. Participant represents to HOPE that the purchase of the participation in the Loan and participating interest therein is made for the purpose of investment and with no present intention of disposing of same. The interest in the Loan sold by HOPE to Participant shall not be deemed to be a security in the meaning of the Securities Act of 1933 or the Securities Act of 1934.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed as of the date first written above.

HOPE OF KENTUCKY, LLC,  
a Kentucky limited liability company

By: \_\_\_\_\_  
Billie W. Wade, Executive Director  
("HOPE")

\_\_\_\_\_ Bank

By: \_\_\_\_\_

Title: \_\_\_\_\_

("Participant")

**EXHIBIT "A"**

Pool No. \_\_\_\_\_

COMMITMENT TO PARTICIPATE

\_\_\_\_\_ Project  
\_\_\_\_\_

HOPE of Kentucky, LLC (HOPE) is creating a pool made up of one loan in the amount of \_\_\_\_\_ Dollars \$ \_\_\_\_\_. A \_\_\_\_\_ (loan term) loan will be made to \_\_\_\_\_, a \_\_\_\_\_ limited \_\_\_\_\_ (the "Borrower"). The interest rate will be \_\_\_\_\_%, and will be fixed for the term of the loan on a thirty year amortization schedule. HOPE will originate the loan for an origination fee of \_\_\_\_\_% and service the loan for a Servicing Fee of \_\_\_\_\_% throughout the term of the loan. A copy of the proposed Loan Agreement is attached hereto, which draft is subject to change prior to execution by the Borrower and HOPE.

A Certificate of Participation will be issued after the loan has been funded.

The estimated funding date is not later than \_\_\_\_\_, 20\_\_.

The undersigned hereby agrees to participate in the pool in the following manner:

THE UNDERSIGNED WILL PURCHASE \$ \_\_\_\_\_ OF THE POOL. Please execute where indicated and return to HOPE by \_\_\_\_\_, 20\_\_.

Institution \_\_\_\_\_

Date \_\_\_\_\_

By \_\_\_\_\_

EXHIBIT "B"

**CERTIFICATE OF PARTICIPATION**

**ISSUED BY**

**HOPE OF KENTUCKY, LLC**

CERTIFICATE NO. \_\_\_\_\_  
POOL NO. \_\_\_\_\_  
PROJECT NAME \_\_\_\_\_  
ISSUED TO \_\_\_\_\_ Bank

HOPE of Kentucky, LLC ("HOPE") has received the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) from \_\_\_\_\_ Bank (the "Participant") in payment of a participation interest in a Loan to \_\_\_\_\_, \_\_\_\_\_, A \_\_\_\_\_ limited \_\_\_\_\_ (the "Borrower") pursuant to a Loan Agreement dated \_\_\_\_\_, 20\_\_\_\_, and the Loan Instruments referred to therein, including that certain Promissory Note (the "Note") held by and payable to the order of HOPE, dated \_\_\_\_\_, 20\_\_\_\_, in the face principal amount of \$\_\_\_\_\_ Dollars (\$\_\_\_\_\_.00), executed by the Borrower, bearing interest, calculated on the basis of a 360 day year, at a fixed rate per annum equal \_\_\_\_\_percent (\_\_\_\_%) per annum (and as otherwise specifically set forth in said Note) with accrued and unpaid interest on the said Note being payable on or before the 15th day of each month and at the time the principal balance of said Note is due and payable. Notwithstanding the delivery of this Participation Certificate to the participant, HOPE shall remain entitled to deal with the Loan and the Note and the aggregate indebtedness from time to time and all rights and remedies pertaining thereto in such manner as it in its sole discretion may deem appropriate in accordance with the terms of Participation Agreement referred to below. HOPE shall be responsible only to remit to the Participant promptly its share of any payments actually received by it after deduction there from such Participant's proportion of any losses or expenses, and a servicing fee of \_\_\_\_\_%, all in accordance with the terms and conditions of a Master Loan Participation Agreement dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the Participant and HOPE. The Note is secured by the collateral referred to in the Loan Agreement. This Certificate and any interest herein can be transferred only with the prior written consent of the undersigned in accordance with the provisions of the Participation Agreement and any attempted transfer other than as therein provided shall be null and void.

IN TESTIMONY WHEREOF, witness the signature of HOPE by its duly authorized officer as of the day, month and year first above written.

HOPE OF KENTUCKY, LLC

By: \_\_\_\_\_  
Billie W. Wade, Executive Director