

ASSIGNMENT AND ASSUMPTION AGREEMENT  
WITH RESPECT TO  
FARM LICENSE AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT WITH RESPECT TO FARM LICENSE AGREEMENT (this "Agreement") is entered into as of January 25, 2006 and effective as of January 1, 2006 by and between The Cincinnati Gas & Electric Company, an Ohio corporation ("CGE"), and The Union Light, Heat and Power Company, a Kentucky corporation ("ULHP").

WHEREAS, CGE is the fee simple owner of certain real property (the "Real Property") located in Butler County, Ohio, that is associated with Woodsdale Generating Station;

WHEREAS, CGE and Michael W. Gorman, an individual ("Gorman"), are parties to that certain Farm License Agreement, Addendum to Agreement dated June 27, 2002, dated as of August 27, 2002 (the "License Agreement"), pursuant to which, subject to the terms and conditions thereof, CGE has granted to Gorman a license to use a portion of the Real Property for farming purposes;

WHEREAS, concurrently with the execution and delivery of this Agreement, CGE and ULHP are entering into that certain Asset Transfer Agreement of even date herewith, pursuant to which, subject to the terms and conditions thereof, on such date CGE is transferring to ULHP and ULHP is acquiring from CGE certain assets relating to Woodsdale Generating Station, including, without limitation, the Real Property;

WHEREAS, in connection therewith, CGE desires to transfer all of its rights and obligations under the License Agreement to ULHP, and ULHP desires to succeed to all of CGE's rights and obligations thereunder, as provided herein;

WHEREAS, the License Agreement, in paragraph 7, specifically prohibits assignment by Gorman, but does not prohibit or otherwise restrict to assignability by CGE; and

WHEREAS, concurrently with the execution and delivery of this Agreement, Gorman is delivering his Consent recognizing the transactions contemplated by this Agreement and releasing and discharging CGE from any further obligations and liabilities under the License Agreement.

NOW, THEREFORE, in consideration of the premises and the agreements and covenants herein contained, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE I  
ASSIGNMENT AND ASSUMPTION

Section 1.1 Assignment and Assumption. Effective upon the execution and delivery hereof by the parties hereto, (a) CGE hereby unconditionally and irrevocably assigns, sells, transfers and conveys to ULHP all of its right, title, interest, obligations and liabilities in, to and under the License Agreement, and (b) ULHP hereby unconditionally and irrevocably accepts such assignment and hereby unconditionally and irrevocably assumes and agrees to pay and otherwise undertake, observe, perform and discharge in accordance with their terms all of CGE's obligations and liabilities under the License Agreement arising from and after the date of this Agreement.

ARTICLE II  
MISCELLANEOUS

Section 2.1 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered (including by facsimile) to the other party hereto.

Section 2.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, exclusive of any conflict of laws provisions thereof that would refer jurisdiction to the laws of another state.

Section 2.3 Entire Agreement; Parties in Interest. (a) This Agreement together with the other agreements or instruments referred to herein constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and there are no agreements, understandings, representations or warranties between the parties other than those set forth or referred to herein.

(b) This Agreement is not intended to confer upon any party not a party hereto (and their successors and assigns) any rights or remedies hereunder, other than Gorman.

Section 2.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 2.5 Headings; Interpretation. The article and section headings contained in this Agreement are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Agreement. All references to Articles or Sections contained herein mean Articles or Sections of this Agreement, unless otherwise stated. All capitalized terms defined herein are equally applicable to both the singular and plural forms of such terms. The terms "hereof," "herein," "hereunder," "hereby" and "herewith" and words of similar import shall, unless otherwise stated, be construed to

refer to this Agreement as a whole (including all the exhibits hereto) and not to any particular provision of this Agreement. The words “including” and words of similar import when used in this Agreement shall mean “including without limitation” unless the context otherwise requires or unless otherwise specified.

Section 2.6 Amendments and Waivers. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by the party against whom enforcement of any such modification or amendment is sought. Any party hereto may, only by an instrument in writing, waive compliance by the other party hereto with any term or provision of this Agreement on the part of such other party to be performed or complied with. The waiver by any party hereto of a breach of any term of this Agreement shall not be construed as a waiver of any subsequent breach.

Section 2.7 Further Assurances. Subject to the terms and conditions of this Agreement, at any time or from time to time after the execution and delivery hereof, at either party’s request and without further consideration, the other party hereto shall execute and deliver to such requesting party such other instruments of sale, transfer, conveyance, assignment and confirmation, provide such materials and information and take such other actions as such requesting party may reasonably request in order to effectuate more fully the purposes of this Agreement.

Section 2.8 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given (a) on the day when delivered personally or by facsimile transmission (with confirmation), (b) on the next business day when delivered by a nationally recognized overnight delivery service, or (c) five (5) business days after deposited as registered or certified mail (return receipt requested), in each case, postage prepaid, addressed to the recipient party at its address set forth below (or to such other addresses and facsimile numbers for a party as shall be specified by like notice; provided, however, that any notice of a change of address or facsimile number shall be effective only upon receipt thereof):

(i) If to CGE, to:

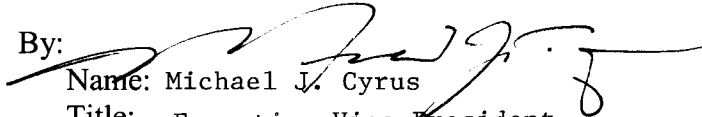
The Cincinnati Gas & Electric Company  
139 East Fourth Street  
Cincinnati, OH 45202  
Attention: President  
Facsimile No.: 513-287-1592

(ii) If to ULHP, to:

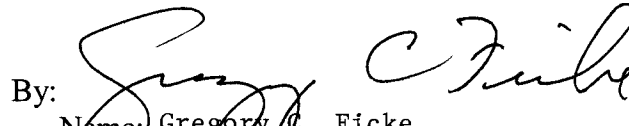
The Union Light, Heat and Power Company  
139 East Fourth Street  
Cincinnati, OH 45202  
Attention: President  
Facsimile No.: 513-287-4370

IN WITNESS WHEREOF, each of the parties hereto has caused this Assignment and Assumption Agreement with respect to Farm License Agreement to be executed on its behalf by its respective officer thereunto duly authorized, all as of the day and year first above written.

THE CINCINNATI GAS & ELECTRIC COMPANY

By:   
Name: Michael J. Cyrus  
Title: Executive Vice President

THE UNION LIGHT, HEAT AND POWER COMPANY

By:   
Name: Gregory C. Ficke  
Title: President





CONSENT  
to  
Assignment and Assumption Agreement  
with respect to  
Farm License Agreement

200600014069  
Filed for Record in  
BUTLER COUNTY, OHIO  
DANNY N CRANK  
03-07-2006 At 12:32:36 pm.  
AGREEMENT 44.00  
DR Book 7708 Page 1528 - 1531

This CONSENT to Assignment and Assumption Agreement with respect to Farm License Agreement (this "Consent") is executed and delivered by Michael W. Gorman, an individual ("Gorman"), as of January 1, 2006.

WHEREAS, The Cincinnati Gas & Electric Company, an Ohio corporation ("CGE"), is the fee simple owner of certain real property (the "Real Property") located in Butler County, Ohio, that is associated with Woodsdale Generating Station;

WHEREAS, CGE and Gorman are parties to that certain Farm License Agreement, Addendum to Agreement dated June 27, 2002, dated as of August 27, 2002 (the "License Agreement"), pursuant to which, subject to the terms and conditions thereof, CGE has granted to Gorman a license to use a portion of the Real Property for farming purposes;

WHEREAS, concurrently with the execution and delivery of this Consent, CGE and The Union Light, Heat and Power Company, a Kentucky corporation ("ULHP"), are entering into that certain Asset Transfer Agreement of even date herewith, pursuant to which, subject to the terms and conditions thereof, on such date CGE is transferring to ULHP and ULHP is acquiring from CGE certain assets relating to Woodsdale Generating Station, including, without limitation, the Real Property;

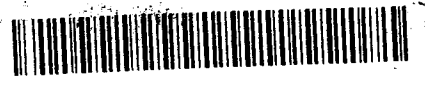
WHEREAS, in connection with such transfer, on the date thereof, CGE and ULHP are executing and delivering that certain Assignment and Assumption Agreement with respect to Farm License Agreement (the "Assignment and Assumption Agreement"), under which CGE is assigning to ULHP, and ULHP is accepting and assuming, all of CGE's rights and obligations under the License Agreement (collectively, the "Proposed Assignment");

WHEREAS, notwithstanding that the Proposed Assignment is not prohibited by the License Agreement and thus does not require any consent or waiver with respect thereto from Gorman, such Proposed Assignment is not itself effective to discharge and release CGE from its obligations and liabilities from and after the Proposed Assignment; and

WHEREAS, Gorman has determined to execute and deliver this Consent to recognize the Proposed Assignment and to effect such discharge and release.

NOT NECESSARY  
KAY ROGERS

2-21-06 DEPT.  
CLERK, BUTLER CO., OHIO



NOW, THEREFORE, by his signature below, in consideration of the transactions contemplated by the Assignment and Assumption Agreement, including without limitation the assumption by ULHP of the obligations of CGE under the License Agreement in accordance with its terms, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Gorman hereby:

1. grants his complete, unconditional and irrevocable consent to the terms and provisions of the Assignment and Assumption Agreement, including without limitation the Proposed Assignment, and further agrees that from and after the date hereof, he shall recognize and treat ULHP as the "Licensor" for all purposes under the License Agreement;
2. releases CGE from all duties and liabilities arising under the License Agreement from and after the date hereof; and
3. agrees that, to his knowledge as of the date hereof, CGE is in full compliance with, and not in violation or breach of or default (including with respect to any event that with notice or lapse of time or both would constitute a violation or breach or default) under any provision of, the License Agreement.

This Consent shall inure to the benefit of CGE and ULHP and their successors and assigns and is binding upon Gorman and his heirs, successors and assigns.

No amendment or waiver of any provision hereof shall be effective unless in writing and signed by each of CGE, ULHP and Gorman.

This Consent shall be governed by Ohio law, excluding its conflicts of law provisions.

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IN WITNESS WHEREOF, the undersigned entity has caused this Consent to Assignment and Assumption Agreement with respect to Farm License Agreement to be executed on its behalf by its officer thereunto duly authorized, all as of the day and year first above written.

*Michael W. Gorman*  
MICHAEL W. GORMAN

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Notarial Seal, on this 20<sup>th</sup> day of February, 2006

*Maureen Macke*  
Signature of Notary

MAUREEN MACKE  
Printed Name of Notary

6-16-08  
Commission Expiration Date of Notary

This instrument prepared by:  
Joyce L. Gamm  
Leasing Manager  
139 East Fourth Street  
Cincinnati, OH 45202  
513-287-2584



MAUREEN MACKE  
Notary Public, State of Ohio  
My Commission Expires June 16, 2008



Situate in Sections 17 and 18, Town 1, Range 7, Township 1, more particularly described as follows:

Beginning at an existing stone at the Northeast corner of Section 18; Thence South 72°52'04" East, 500.94 feet to a concrete monument, passing a concrete monument on-line at 5.00 feet;

Thence South 00°05'37" West, 2563.89 feet to an existing iron pin in the South right-of-way line of Woodsdale Road, passing concrete monuments on-line at 855.00 feet, 1708.89 feet and 2513.88 feet;

Thence, along the south right-of-way of Woodsdale Road, the following courses and distances:

South 88°55'54" West, 826.16 feet to an existing iron pin;  
South 74°22'54" West, 376.28 feet;

Thence, along the lines of Metro Parks of Butler County, Ohio, the following courses and distances:

North 47°51'07" West, 436.02 feet to an existing iron pin, passing an iron pin on-line at 59.11 feet;  
North 40°30'00" East, 323.89 feet to an existing iron pin;  
North 00°07'00" East, 285.05 feet to an existing iron pin;  
North 87°49'00" West, 131.71 feet to an existing iron pin;  
South 65°38'09" West, 749.34 feet to an existing iron pin;  
South 00°02'02" East, 1030.64 feet to the south right-of-way of Woodsdale Road, passing an iron pin on-line at 972.04 feet;

Thence, along the south right-of-way of Woodsdale Road, the following courses and distances:

South 58°31'54" West, 129.53 feet;  
South 32°56'54" West, 741.67 feet to an existing iron pin;  
South 47°16'24" West, 491.61 feet to an existing iron pin;  
South 78°49'24" West, 262.12 feet; Thence North 00°08'36" West 25.47 feet to a point in the centerline of Woodsdale Road;

Thence, along said centerline, South 81°11'02" West, 358.32 feet;

Thence, continuing along said centerline, South 71°03'19" West, 310.53 feet;

Thence North 00°20'12" West, 1760.04 feet to a concrete monument, passing a concrete monument on-line at 26.38 feet;

Thence South 89°37'27" East, 164.34 feet to a concrete monument;

Thence North 00°04'47" East, 1185.45 feet to a concrete monument, passing a concrete monument on-line at 924.00 feet;

Thence South 89°55'13" East, 1134.78 feet to an existing concrete monument, passing concrete monuments on-line at 470.04 feet and 1129.78 feet;

Thence North 00°13'19" East, 1597.17 feet to an existing iron pin in the North line of Section 18, passing concrete monuments on-line at 5.00 feet, 797.17 feet and 1592.17 feet;

Thence, along the North line of said Section 18, North 89°54'05" East, 813.47 feet an iron pin and cap set;

Thence, along new lines of division, the following courses and distances:

South 00°16'01" East, 545.52 feet to a spike set, passing a set Mag nail on-line at 396.45 feet;  
North 89°57'19" East, 346.33 feet to a Mag nail set;  
North 01°22'06" West, 148.86 feet to a Mag nail set;  
North 89°48'01" East, 322.81 feet to a Mag nail set;  
South 00°14'50" East, 128.86 feet;  
South 34°31'44" West, 56.58 feet to a spike set;  
South 00°11'32" East, 468.69 feet to a Mag nail set;  
North 89°59'26" East, 503.44 feet to a Mag nail set;  
North 00°18'33" East, 1041.37 feet to an iron pin and cap set in the North line of Section 18;

Thence, along the North line of said Section 18, North 89°54'05" East, 162.52 feet to the point of beginning.

Containing 29.037 acres in Section 17 and 192.221 acres in Section 18.

The above description is the result of a field survey performed in January, 2005 under the direct supervision of Edward J. Schwegman, Registered Land Surveyor No. 6868, State of Ohio.

BK: 7708 PG: 1531

