



a PPL company

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PUBLIC SERVICE  
COMMISSION

Mr. Jeff DeRouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602-0615

November 15, 2013

Louisville Gas and Electric  
Company  
State Regulation and Rates  
220 West Main Street  
PO Box 32010  
Louisville, Kentucky 40232  
www.lge-ku.com

Rick E. Lovekamp  
Manager - Regulatory Affairs  
T 502-627-3780  
F 502-627-3213  
rick.lovekamp@lge-ku.com

**Re: *Application of Louisville Gas and Electric Company for an Order Authorizing the Restructure and Refinancing of Unsecured Debt and the Assumption of Obligations and for Amendment of Existing Authority - Case No. 2010-00205***

Dear Mr. DeRouen:

Pursuant to Ordering Paragraph No. 9 of the Kentucky Public Service Commission's Order, dated September 30, 2010, in the aforementioned case, attached is a form 8-K filed with the Securities and Exchange Commission ("SEC") on November 14, 2013.

Please confirm your receipt of this filing by placing the File Stamp of your Office with date received on the extra copy and returning it to me in the enclosed envelope. Should you have any questions regarding the information filed herewith, please call me or Don Harris at (502) 627-2021.

Sincerely,

Rick E. Lovekamp

# LOUISVILLE GAS & ELECTRIC CO /KY/

## FORM 8-K (Current report filing)

Filed 11/14/13 for the Period Ending 11/06/13

Address	220 W MAIN ST P O BOX 32030 LOUISVILLE, KY 40232
Telephone	5026272000
CIK	0000060549
SIC Code	4931 - Electric and Other Services Combined
Fiscal Year	12/31

**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): November 6, 2013

Commission File Number	Registrant; State of Incorporation; Address and Telephone Number	IRS Employer Identification No.
1-11459	<b>PPL Corporation</b> (Exact name of Registrant as specified in its charter) (Pennsylvania) Two North Ninth Street Allentown, PA 18101-1179 (610) 774-5151	23-2758192
333-173665	<b>LG&amp;E and KU Energy LLC</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	20-0523163
1-2893	<b>Louisville Gas and Electric Company</b> (Exact name of Registrant as specified in its charter) (Kentucky) 220 West Main Street Louisville, KY 40202-1377 (502) 627-2000	61-0264150
1-3464	<b>Kentucky Utilities Company</b> (Exact name of Registrant as specified in its charter) (Kentucky and Virginia) One Quality Street Lexington, KY 40507-1462 (502) 627-2000	61-0247570

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 13c-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## **Section 2 - Financial Information**

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

## **Section 8 - Other Events**

### **Item 8.01 Other Events**

#### **Louisville Gas and Electric Company**

On November 6, 2013, Louisville Gas and Electric Company (“LG&E”) entered into an underwriting agreement (the “LG&E Underwriting Agreement”) with Citigroup Global Markets Inc., RBS Securities Inc., Sun Trust Robinson Humphrey, Inc. and U. S. Bancorp Investments, Inc., as representatives of the several underwriters, relating to the offering and sale by LG&E of \$250 million of 4.65% First Mortgage Bonds due 2043 (the “LG&E Bonds”).

The Bonds were issued on November 14, 2013, under LG&E’s Indenture (the “LG&E Indenture”), dated as of October 1, 2010, to The Bank of New York Mellon, as trustee, as previously supplemented and as supplemented by Supplemental Indenture No. 3 thereto (the “LG&E Supplemental Indenture”), dated as of November 1, 2013 (collectively, the “LG&E Indenture”). The Bonds will be secured by the lien of the LG&E Indenture, which creates, subject to certain exceptions and exclusions, a lien on substantially all of LG&E’s real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity and the storage, transportation and distribution of natural gas, as described therein.

The Bonds are due November 15, 2043, subject to early redemption. LG&E will use the net proceeds from the sale of the Bonds for repayment of short term debt, including commercial paper, for capital expenditures and for other general corporate purposes.

The Bonds were offered and sold under LG&E’s Registration Statement on Form S-3 on file with the Securities and Exchange Commission (Registration No. 333-180410-01).

A copy of the LG&E Underwriting Agreement is attached as Exhibit 1(a) to this report and incorporated herein by reference. The LG&E Supplemental Indenture and LG&E Officer’s Certificate are filed with this report as Exhibits 4(a) and 4(c), respectively.

#### **Kentucky Utilities Company**

On November 6, 2013, Kentucky Utilities Company (“KU”) entered into an underwriting agreement (the “KU Underwriting Agreement”) with BNP Paribas Securities Corp., Citigroup Global Markets Inc., Goldman, Sachs & Co., and Mitsubishi UFJ Securities (USA), Inc., as representatives of the several underwriters, relating to the offering and sale by KU of \$250 million of 4.65% First Mortgage Bonds due 2043 (the “KU Bonds”).

The KU Bonds were issued on November 14, 2013, under KU’s Indenture (the “KU Indenture”), dated as of October 1, 2010, to The Bank of New York Mellon, as trustee, as previously supplemented and as supplemented by Supplemental Indenture No. 3 thereto (the “KU Supplemental Indenture”), dated as of November 1, 2013

(collectively, the “KU Indenture”). The KU Bonds will be secured by the lien of the KU Indenture, which creates, subject to certain exceptions and exclusions, a lien on substantially all of KU’s real and tangible personal property located in Kentucky and used or to be used in connection with the generation, transmission and distribution of electricity, as described therein.

The KU Bonds are due November 15, 2043, subject to early redemption. KU will use the net proceeds from the sale of the KU Bonds for repayment of short term debt, including commercial paper, for capital expenditures and for other general corporate purposes.

The KU Bonds were offered and sold under KU’s Registration Statement on Form S-3 on file with the Securities and Exchange Commission (Registration No. 333-180410-02).

A copy of the KU Underwriting Agreement is attached as Exhibit 1(b) to this report and incorporated herein by reference. The KU Supplemental Indenture and KU Officer’s Certificate are filed with this report as Exhibits 4(b) and 4(d), respectively.

## **Section 9 - Financial Statements and Exhibits**

### **Item 9.01 Financial Statements and Exhibits**

#### **(a) Exhibits**

- 1(a) Underwriting Agreement, dated November 6, 2013, among Louisville Gas and Electric Company and Citigroup Global Markets Inc., RBS Securities Inc., Sun Trust Robinson Humphrey, Inc. and U. S. Bancorp Investments, Inc., as representatives of the several underwriters named therein.
- 1(b) Underwriting Agreement, dated November 6, 2013, among Kentucky Utilities Company and BNP Paribas Securities Corp., Citigroup Global Markets Inc., Goldman, Sachs & Co., and Mitsubishi UFJ Securities (USA), Inc., as representatives of the several underwriters named therein.
- 4(a) Supplemental Indenture No 3, dated as of November 1, 2013, of Louisville Gas and Electric Company to The Bank of New York Mellon, as Trustee.
- 4(b) Supplemental Indenture No. 3, dated as of November 1, 2013, of Kentucky Utilities Company to The Bank of New York Mellon, as Trustee.
- 4(c) LG&E Officer’s Certificate, dated November 14, 2013, pursuant to Section 201 and 301 of the LG&E Indenture.
- 4(d) KU Officer’s Certificate, dated November 14, 2013, pursuant to Section 201 and 301 of the KU Indenture.
- 5(a) Opinion of Dorothy E. O’Brien, Vice President and Deputy General Counsel — Legal and Environmental Affairs of Louisville Gas and Electric Company.
- 5(b) Opinion of Dorothy E. O’Brien, Vice President and Deputy General Counsel — Legal and Environmental Affairs of Kentucky Utilities Company

- 5(c) Opinion of Pillsbury Winthrop Shaw Pittman LLP as to the LG&E Bonds.
- 5(d) Opinion of Pillsbury Winthrop Shaw Pittman LLP as to the KU Bonds.
- 5(e) Opinion of Stoll Keenon Ogden PLLC as to the KU Bonds.
- 23(a) Consent of Dorothy E. O'Brien, Vice President and Deputy General Counsel of Louisville Gas and Electric Company (included as part of Exhibit 5(a)).
- 23(b) Consent of Dorothy E. O'Brien, Vice President and Deputy General Counsel of Kentucky Utilities Company (included as part of Exhibit 5(b)).
- 23(c) Consent of Pillsbury Winthrop Shaw Pittman LLP (included as part of Exhibit 5(c)).
- 23(d) Consent of Pillsbury Winthrop Shaw Pittman LLP (included as part of Exhibit 5(d)).
- 23(e) Consent of Stoll Keenon Ogden PLLC (included as part of Exhibit 5(e)).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

**PPL CORPORATION**

By: /s/ Vincent Sorgi  
Vincent Sorgi  
Vice President and Controller

**LG&E AND KU ENERGY LLC**

By: /s/ Kent W. Blake  
Kent W. Blake  
Chief Financial Officer

**LOUISVILLE GAS AND ELECTRIC COMPANY**

By: /s/ Kent W. Blake  
Kent W. Blake  
Chief Financial Officer

**KENTUCKY UTILITIES COMPANY**

By: /s/ Kent W. Blake  
Kent W. Blake  
Chief Financial Officer

Dated: November 14, 2013

LOUISVILLE GAS AND ELECTRIC COMPANY

\$250,000,000  
First Mortgage Bonds, 4.65% Series due 2043

UNDERWRITING AGREEMENT

November 6, 2013

Citigroup Global Markets Inc.  
RBS Securities Inc.  
SunTrust Robinson Humphrey, Inc.  
U.S. Bancorp Investments, Inc.  
As Representatives of the Several Underwriters  
c/o Citigroup Global Markets Inc.  
388 Greenwich Street  
New York, NY 10013

Ladies and Gentlemen:

1. Introductory.

Louisville Gas and Electric Company, a corporation organized under the laws of the Commonwealth of Kentucky (the "Company"), proposes to issue and sell, and the several Underwriters named in Section 3 hereof (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), propose, severally and not jointly, to purchase, upon the terms and conditions set forth herein, \$250,000,000 aggregate principal amount of the Company's First Mortgage Bonds, 4.65% Series due 2043 (the "Bonds") to be issued under an Indenture, dated as of October 1, 2010 (the "Base Indenture"), as heretofore amended and supplemented by Supplemental Indenture No. 1, dated as of October 15, 2010, and Supplemental Indenture No. 2 thereto, dated as of November 1, 2010, and as to be further supplemented by Supplemental Indenture No. 3 thereto relating to the Bonds, to be dated as of November 1, 2013 (the "Supplemental Indenture"), and the Base Indenture as so amended and supplemented, the "Indenture"), between the Company and The Bank of New York Mellon, as trustee thereunder (the "Trustee").

The Company has filed with the Securities and Exchange Commission (the "Commission") an automatic shelf registration statement (No. 333-180410-01) on Form S-3, including the related preliminary prospectus or prospectus, which registration statement became effective upon filing under Rule 462(e) ("Rule 462(e)") of the rules and regulations of the Commission (the "Securities Act Regulations") under the

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Securities Act of 1933, as amended (the "Securities Act"). Such registration statement covers the registration of the Bonds under the Securities Act. Promptly after the date of this Agreement, the Company will prepare and file a prospectus in accordance with the provisions of Rule 430B ("Rule 430B") of the Securities Act Regulations and paragraph (b) of Rule 424 ("Rule 424(b)") of the Securities Act Regulations. Any information included in such prospectus that was omitted from such registration statement at the time it became effective but that is deemed to be part of and included in such registration statement pursuant to Rule 430B is referred to as "Rule 430B Information." Each prospectus used in connection with the offering of the Bonds that omitted Rule 430B Information (other than a "free writing prospectus" as defined in Rule 405 of the Securities Act Regulations that has not been approved in writing by the Company and the Representatives), including any related prospectus supplement and the documents incorporated by reference therein pursuant to Item 12 of Form S-3, is herein called a "preliminary prospectus." Such registration statement, at any given time, including the amendments or supplements thereto to such time, the exhibits and any schedules thereto at such time, the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act at such time and the documents otherwise deemed to be a part thereof or included therein by the Securities Act Regulations, is herein called the "Registration Statement." The Registration Statement at the time it originally became effective is herein called the "Original Registration Statement." The final prospectus in the form first furnished to the Underwriters for use in connection with the offering of the Bonds, including the related prospectus supplement and the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act as of the date hereof, is herein called the "Prospectus." For purposes of this Agreement, all references to the Registration Statement, any preliminary prospectus, the Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval ("EDGAR") system.

All references in this Agreement to financial statements and schedules and other information which is "contained," "included" or "stated" in the Registration Statement, any preliminary prospectus or the Prospectus (or other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is incorporated by reference in or otherwise deemed by the Securities Act Regulations to be a part of or included in the Registration Statement, any preliminary prospectus or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the Securities Exchange Act of 1934, as amended (the "Exchange Act") which is incorporated by reference in or otherwise deemed by the Securities Act Regulations to be a part of or included in the Registration Statement, such preliminary prospectus or the Prospectus, as the case may be.

2. Representations and Warranties.

The Company represents and warrants to each Underwriter as of the date hereof, as of the Applicable Time referred to in Section 2(b) hereof and as of the Closing Date referred to in Section 5 hereof, and agrees with each Underwriter as follows:

(a) (A) At the time of filing the Original Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Securities Act Regulations) made any offer relating to the Bonds in reliance on the exemption of Rule 163 of the Securities Act Regulations ("Rule 163") or made a bona fide offer (within the meaning of Rule 164(h)(2) of the Securities Act Regulations) and (D) at the date hereof, the Company was and is eligible to register and issue the Bonds as a "well-known seasoned issuer" as defined in Rule 405 of the Securities Act Regulations ("Rule 405"), including not having been and not being an "ineligible issuer" as defined in Rule 405. The Registration Statement is an "automatic shelf registration statement," as defined in Rule 405, and the Bonds, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 "automatic shelf registration statement." The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Securities Act Regulations objecting to the use of the automatic shelf registration statement form;

(b) The Original Registration Statement became effective upon filing under Rule 462(e) of the Securities Act Regulations on March 28, 2012, and any post-effective amendment thereto also became effective upon filing under Rule 462(e). No stop order suspending the effectiveness of the Registration Statement or any notice objecting to its use has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with.

Any offer that is a written communication relating to the Bonds made prior to the filing of the Original Registration Statement by the Company or any person acting on its behalf (within the meaning, for this paragraph only, of Rule 163(c) of the Securities Act Regulations) has been filed with the Commission in accordance with the exemption provided by Rule 163 and otherwise complied with the requirements of Rule 163, including without limitation the legending requirement, to qualify such offer for the exemption from Section 5(c) of the Securities Act provided by Rule 163.

At the respective times the Original Registration Statement and each amendment thereto became effective, at each deemed effective date with respect to the Underwriters pursuant to Rule 430B(f)(2) of the Securities Act Regulations and at the Closing Date, the Registration Statement complied and will comply in all material respects with the requirements of the Securities Act and the Securities Act Regulations and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the rules and regulations thereunder, and did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

Neither the Prospectus nor any amendments or supplements thereto, at the time the Prospectus or any such amendment or supplement was issued and at the Closing Date, included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Each preliminary prospectus (including the prospectus or prospectuses filed as part of the Original Registration Statement or any amendment thereto) complied when so filed and each Prospectus will comply when so filed in all material respects with the Securities Act Regulations and each preliminary prospectus and the Prospectus delivered to the Underwriters for use in connection with this offering was identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

As of the Applicable Time (as defined below), neither (x) the Issuer General Use Free Writing Prospectus(es) (as defined below) issued at or prior to the Applicable Time, the Statutory Prospectus (as defined below) and the Issuer Free Writing Prospectus, including the Final Term Sheet prepared and filed pursuant to Section 6(b) identified on Schedule A hereto, all considered together (collectively, the "General Disclosure Package"), nor (y) any individual Issuer Limited Use Free Writing Prospectus (as defined below), when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

As of the time of the filing of the Final Term Sheet, the General Disclosure Package, when considered together with the Final Term Sheet (as defined in Section 6(b)), will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

As used in this subsection and elsewhere in this Agreement:

“Applicable Time” means 2:40 p.m., New York City time, on November 6, 2013 or such other time as agreed by the Company and the Representatives.

“Issuer Free Writing Prospectus” means any “issuer free writing prospectus,” as defined in Rule 433 of the Securities Act Regulations (“Rule 433”), relating to the Bonds that (i) is required to be filed with the Commission by the Company, (ii) is a “road show that is a written communication” within the meaning of Rule 433(d)(8)(i), whether or not required to be filed with the Commission or (iii) is exempt from filing pursuant to Rule 433(d)(5)(i) because it contains a description of the Bonds or of the offering that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company’s records pursuant to Rule 433(g).

“Issuer General Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being specified in Schedule A hereto.

“Issuer Limited Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is not an Issuer General Use Free Writing Prospectus.

“Permitted Free Writing Prospectus” means any free writing prospectus consented to in writing by the Company and the Representatives. For the avoidance of doubt, any free writing prospectus that is not consented to in writing by the Company does not constitute a Permitted Free Writing Prospectus and will not be an Issuer Free Writing Prospectus.

“Statutory Prospectus” as of any time means the prospectus relating to the Bonds that is included in the Registration Statement immediately prior to that time, including any document incorporated by reference therein and any preliminary or other prospectus deemed to be a part thereof.

Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Bonds or until any earlier date that the Company notified or notifies the Representatives as described in Section 6(g), did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus, including any document incorporated by reference therein and any preliminary or other prospectus deemed to be a part thereof that has not been superseded or modified.

The representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus made in reliance upon and in conformity with written information furnished to the Company as set forth in Schedule B hereto by any Underwriter through the Representatives expressly for use therein or to any statements in or omissions from the Statement of Eligibility of the Trustee under the Indenture. At the effective date of the Registration Statement, the Indenture conformed in all material respects to the Trust Indenture Act and the rules and regulations thereunder;

(c) The Company has been duly organized, is validly existing as a corporation in good standing under the laws of the Commonwealth of Kentucky, has the power and authority to own its property and to conduct its business as described in the General Disclosure Package and the Prospectus and to enter into and perform its obligations under this Agreement, the Indenture and the Bonds, and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Company;

(d) The Bonds have been duly authorized by the Company and, when issued, authenticated and delivered in the manner provided for in the Indenture and delivered against payment of the consideration therefor, will constitute valid and binding obligations of the Company enforceable in accordance with their terms, except to the extent limited by bankruptcy, insolvency, fraudulent conveyance, reorganization or moratorium laws or by other laws now or hereafter in effect relating to or affecting the enforcement of mortgagee's and other creditors' rights and by general equitable principles (regardless of whether considered in a proceeding in equity or at law), an implied covenant of good faith and fair dealing and consideration of public policy, and federal or state securities law limitations on indemnification and contribution (the "Enforceability Exceptions"); the Bonds will be in the forms established pursuant to, and entitled to the benefits of, the Indenture; and the Bonds will conform in all material respects to the statements relating thereto contained in the General Disclosure Package and the Prospectus;

(e) The Indenture has been duly authorized by the Company; at the Closing Date, the Supplemental Indenture will have been duly executed and delivered by the Company, and assuming due authorization, execution and delivery of the Indenture by the Trustee, the Indenture will constitute a valid and legally binding obligation of the Company enforceable in accordance with its terms (except to the extent limited by the Enforceability Exceptions); the Indenture conforms and will conform in all material respects to the statements relating thereto contained in the General Disclosure Package and the Prospectus; and at the

effective date of the Registration Statement, the Indenture was duly qualified under the Trust Indenture Act;

(f) The Company is in compliance in all material respects with its amended and restated articles of incorporation and bylaws;

(g) The Order of the Kentucky Public Service Commission, dated August 3, 2012, has been obtained and is in full force and effect and is sufficient to authorize the issuance and sale by the Company of the Bonds as contemplated by this Agreement, and no further consent, approval, authorization, order, registration or qualification of or with any federal, state or local governmental agency or body or any federal, state or local court is required to be obtained by the Company for the consummation of the transactions contemplated by this Agreement and the Indenture in connection with the offering, issuance and sale of the Bonds by the Company, or the performance by the Company of its obligations hereunder or thereunder, except (i) such as have been obtained or (ii) such as may be required under the blue sky laws of any jurisdiction in connection with the purchase and distribution of the Bonds by the Underwriters in the manner contemplated herein and in the General Disclosure Package and the Prospectus;

(h) None of the execution and delivery of this Agreement, the Supplemental Indenture, the issue and sale of the Bonds, or the consummation of any of the transactions herein or therein contemplated, will (i) violate any law or any regulation, order, writ, injunction or decree of any court or governmental instrumentality applicable to the Company, (ii) breach or violate, or constitute a default under, the Company's amended and restated articles of incorporation or bylaws, or (iii) breach or violate, or constitute a default under, any material agreement or instrument to which the Company is a party or by which it is bound, except in the case of clauses (i) and (iii), for such violations, breaches or defaults that would not in the aggregate have a material adverse effect on the Company's ability to perform its obligations hereunder or thereunder;

(i) The consolidated financial statements of the Company, together with the related notes and schedules, each set forth or incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the related published rules and regulations thereunder; such audited financial statements have been prepared in all material respects in accordance with generally accepted accounting principles consistently applied throughout the periods involved, except as disclosed therein; and no material modifications are required to be made to the unaudited interim financial statements for them to be in conformity with generally accepted accounting principles;

(j) This Agreement has been duly and validly authorized, executed and delivered by the Company;

(k) Since the respective dates as of which information is given in the General Disclosure Package and the Prospectus, except as otherwise stated therein or contemplated thereby, there has been no material adverse change, or event or occurrence that would result in a material adverse change in the financial position or results of operations of the Company;

(l) The Company is not, and after giving effect to the offering and sale of the Bonds and the application of the proceeds thereof as described in the General Disclosure Package and the Prospectus, will not be, an "investment company" as such term is defined in the Investment Company Act of 1940, as amended;

(m) Ernst & Young LLP and PricewaterhouseCoopers LLP, who have each audited certain financial statements of the Company and issued their respective reports with respect to the audited consolidated financial statements and schedules included and incorporated by reference in the General Disclosure Package and the Prospectus, are independent registered public accounting firms with respect to the Company during the periods covered by their reports within the meaning of the Securities Act and the Securities Act Regulations and the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB");

(n) The Company maintains systems of internal accounting controls sufficient to provide reasonable assurance that transactions are executed in accordance with management's authorizations and transactions are recorded as necessary to permit preparation of financial statements. The Company maintains effective "disclosure controls and procedures" as such term is defined in Rule 13a-15(e) under the Exchange Act;

(o) (i) The Company has good and sufficient title to the interest and estate of the Company in all real property, and good title to all other property, which is or is to be specifically or generally described or referred to in the Indenture as being subject to the lien thereof, subject only to (A) the lien of the Indenture, (B) Permitted Liens (as defined in the Indenture), and (C) defects and irregularities in title and other Liens (as defined in the Indenture) that in each case are not prohibited by the Indenture and that, in the Company's judgment, do not, individually or in the aggregate, impair the operation of the Company's business in any material respect; (ii) the descriptions of all such property contained or referred to in the Indenture are adequate for purposes of the lien purported to be created by the Indenture; (iii) the Indenture (excluding the Supplemental Indenture) constitutes, and, on the Closing Date, the Indenture will constitute, a valid mortgage lien on and security interest in all property which is specifically or generally described or referred to therein as being subject to the lien thereof (other than such property as has been released from the lien of the Indenture in accordance with the terms thereof), subject only to the Liens, defects and irregularities referred to in subparagraph (i) above; and (iv) on and after the

Closing Date, the Indenture by its terms will effectively subject to the lien thereof all property located in the Commonwealth of Kentucky acquired by the Company after the Closing Date of the character generally described or referred to in the Indenture as being subject to the lien thereof, subject to (A) defects and irregularities in title existing at the time of such acquisition, (B) Purchase Money Liens (as defined in the Indenture) and any other Liens placed or otherwise existing or placed on such property at the time of such acquisition, (C) with respect to real property, Liens placed thereon following the acquisition thereof by the Company and prior to the recording and filing of a supplemental indenture or other instrument specifically describing such real property and (D) possible limitations arising out of laws relating to preferential transfers of property during certain periods prior to commencement of bankruptcy, insolvency or similar proceedings and to limitations on liens on property acquired by a debtor after the commencement of any such proceedings, and possible claims and taxes of the federal government, and except as otherwise provided in Article Thirteen of the Indenture; it being understood that, if any property were to become subject to the lien of the Indenture by virtue of the "springing lien provisions" contained in the proviso at the end of the definition of "Excepted Property" in the granting clauses of the Indenture, the lien of the Indenture as to such property would be subject to any Liens existing on such property at the time such property became subject to the lien of the Indenture;

(p) On the Closing Date, the Indenture will have been duly recorded or lodged for record as a mortgage of real estate, and any required filings with respect to personal property and fixtures subject to the lien of the Indenture will have been duly made, in each place in which such recording and filing is required to protect, preserve and perfect the lien of the Indenture, and all taxes and recording and filing fees required to be paid with respect to the execution, recording or filing of the Indenture, the filing of financing statements and similar documents and the issuance of the Bonds will have been paid;

(q) The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto;

(r) None of the Company or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official"



(as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA, and the Company and, to the knowledge of the Company, its affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith;

(s) The operations of the Company are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the “Money Laundering Laws”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company with respect to the Money Laundering Laws is pending or, to the best knowledge of the Company, threatened; and

(t) None of the Company or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“OFAC”); and the Company will not directly or indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds, to any joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

Each of you, as one of the several Underwriters, represents and warrants to, and agrees with, the Company, its directors and such of its officers as shall have signed the Registration Statement, and to each other Underwriter, that the information set forth in Schedule B hereto furnished to the Company by or through you or on your behalf expressly for use in the Registration Statement or the Prospectus does not contain an untrue statement of a material fact and does not omit to state a material fact in connection with such information required to be stated therein or necessary to make such information not misleading.

3. Purchase and Sale of Bonds .

On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein contained, the Company agrees to sell to the Underwriters, and the Underwriters agree, severally and not jointly, to purchase from the Company, at a purchase price of 98.405% of the principal amount thereof, plus accrued interest, if any, from the date of the first authentication of the Bonds

to the Closing Date (as hereinafter defined), the respective principal amounts of the Bonds set forth below opposite the names of such Underwriters.

<u>Underwriters</u>	<u>Principal Amount of Bonds</u>
Citigroup Global Markets Inc.	\$ 50,000,000
RBS Securities Inc.	\$ 50,000,000
SunTrust Robinson Humphrey, Inc.	\$ 50,000,000
U.S. Bancorp Investments, Inc.	\$ 50,000,000
Banco Bilbao Vizcaya Argentaria, S.A.	\$ 12,500,000
BNY Mellon Capital Markets, LLC	\$ 12,500,000
Mizuho Securities USA Inc.	\$ 12,500,000
PNC Capital Markets LLC	\$ 12,500,000
Total	<u>\$ 250,000,000</u>

4. Public Offering.

The several Underwriters agree that as soon as practicable, in their judgment, they will make a public offering of their respective portions of the Bonds in accordance with the terms set forth in the General Disclosure Package and the Prospectus.

5. Delivery and Payment.

The Bonds will be represented by one or more definitive global securities in book-entry form which will be deposited by or on behalf of the Company with The Depository Trust Company (“DTC”) or its designated custodian. The Company will deliver the Bonds to you against payment by you of the purchase price therefor (such delivery and payment herein referred to as the “Closing”) by wire transfer of immediately available funds to the Company’s account (No. 3752099133) at Bank of America (ABA Routing Number 026-0095-93) by 10:00 a.m., New York City time, on the Closing Date. Such payment shall be made upon delivery of the Bonds for the account of Citigroup Global Markets Inc. at DTC. The Bonds so to be delivered will be in fully registered form in such authorized denominations as established pursuant to the Indenture. The Company will make the Bonds available for inspection by you at the office of The Bank of New York Mellon, 101 Barclay Street, 8<sup>th</sup> Floor, New York, New York 10286, Attention: Corporate Trust, not later than 10:00 a.m., New York City time, on the Business Day next preceding the Closing Date (“Business Day” shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in The City of New York).

Each Underwriter represents and agrees that, unless it obtains the prior written consent of the Company and the Representatives, it has not and will not make any

offer relating to the Bonds that would constitute or would use an “issuer free writing prospectus” as defined in Rule 433 or that would otherwise constitute a “free writing prospectus” as defined in Rule 405 of the Securities Act Regulations that would be required to be filed with the Commission, other than information contained in the Final Term Sheet prepared in accordance with Section 6(b).

The term “Closing Date” wherever used in this Agreement shall mean November 14, 2013, or such other date (i) not later than the seventh full Business Day thereafter as may be agreed upon in writing by the Company and you, or (ii) as shall be determined by postponement pursuant to the provisions of Section 10 hereof.

6. Certain Covenants of the Company.

The Company covenants and agrees with the several Underwriters:

(a) Subject to Section 6(b), to comply with the requirements of Rule 430B and to notify the Representatives immediately, and confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement or new registration statement relating to the Bonds shall become effective, or any supplement to the Prospectus or any amended Prospectus shall have been filed, (ii) of the receipt of any comments from the Commission, (iii) of any request by the Commission for any amendment to the Registration Statement or the filing of a new registration statement or any amendment or supplement to the Prospectus or any document incorporated by reference therein or otherwise deemed to be a part thereof or for additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or such new registration statement or any notice objecting to its use or of any order preventing or suspending the use of any preliminary prospectus, or of the suspension of the qualification of the Bonds for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes or of any examination pursuant to Section 8(e) of the Securities Act concerning the Registration Statement and (v) if the Company becomes the subject of a proceeding under Section 8A of the Securities Act in connection with the offering of the Bonds. The Company will effect the filings required under Rule 424(b), in the manner and within the time period required by Rule 424(b) (without reliance on Rule 424(b)(8)). The Company will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment. The Company shall pay the required Commission filing fees relating to the Bonds within the time required by Rule 456(b)(1)(i) of the Securities Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the Securities Act Regulations (including, if applicable, by updating the “Calculation of Registration Fee” table in accordance with Rule 456(b)(1)(ii) either in a post-effective amendment to the Registration Statement or on the cover page of a prospectus filed pursuant to Rule 424(b)).

(b) To give the Representatives notice of its intention to file or prepare any amendment to the Registration Statement or new registration statement relating to the Bonds or any amendment, supplement or revision to either any preliminary prospectus (including any prospectus included in the Original Registration Statement or amendment thereto at the time it became effective) or to the Prospectus, whether pursuant to the Securities Act, the Exchange Act or otherwise, and the Company will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representatives shall reasonably object in writing. The Company will give the Representatives notice of its intention to make any such filing pursuant to the Exchange Act, Securities Act or Securities Act Regulations from the Applicable Time to the Closing Date and will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing and will not file or use any such document to which the Representatives shall reasonably object in writing. The Company will prepare a final term sheet (the "Final Term Sheet") substantially in the form attached as Annex I hereto reflecting the final terms of the Bonds, and shall file such Final Term Sheet as an "Issuer Free Writing Prospectus" in accordance with Rule 433; provided that the Company shall furnish the Representatives with copies of any such Final Term Sheet a reasonable amount of time prior to such proposed filing and will not use or file any such document to which the Representatives shall reasonably object in writing.

(c) To furnish to each Underwriter, without charge, during the period when the Prospectus is required to be delivered under the Securities Act, as many copies of the Prospectus and any amendments and supplements thereto as each Underwriter may reasonably request.

(d) That before amending and supplementing the preliminary prospectus or the Prospectus, it will furnish to the Representatives a copy of each such proposed amendment or supplement and that it will not use any such proposed amendment or supplement to which the Representatives reasonably object in writing.

(e) To use its best efforts to qualify the Bonds and to assist in the qualification of the Bonds by you or on your behalf for offer and sale under the securities or "blue sky" laws of such jurisdictions as you may designate, to continue such qualification in effect so long as required for the distribution of the Bonds and to reimburse you for any expenses (including filing fees and fees and disbursements of counsel) paid by you or on your behalf to qualify the Bonds for offer and sale, to continue such qualification, to determine its eligibility for investment and to print any preliminary or supplemental "blue sky" survey or legal investment memorandum relating thereto; provided that the Company shall not be required to qualify as a foreign corporation in any State, to consent to service of process in any State other than with respect to claims arising out of the offering or

sale of the Bonds, or to meet any other requirement in connection with this paragraph (e) deemed by the Company to be unduly burdensome;

(f) Promptly to deliver to you one signed copy of the Registration Statement as originally filed and of all amendments thereto heretofore or hereafter filed, including conformed copies of all exhibits except those incorporated by reference, and such number of conformed copies of the Registration Statement (but excluding the exhibits), each related preliminary prospectus, the Prospectus, and any amendments and supplements thereto, as you may reasonably request;

(g) If at any time prior to the completion of the sale of the Bonds by the Underwriters (as determined by the Representatives), any event occurs as a result of which the Prospectus, as then amended or supplemented, would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it should be necessary to amend or supplement the Prospectus to comply with applicable law, the Company promptly (i) will notify the Representatives of any such event; (ii) subject to the requirements of paragraph (b) of this Section 6, will prepare an amendment or supplement that will correct such statement or omission or effect such compliance; and (iii) will supply any supplemented or amended Prospectus to the several Underwriters without charge in such quantities as they may reasonably request; provided that the expense of preparing and filing any such amendment or supplement to the Prospectus (x) that is necessary in connection with such a delivery of a supplemented or amended Prospectus more than nine months after the date of this Agreement or (y) that relates solely to the activities of any Underwriter shall be borne by the Underwriter or Underwriters or the dealer or dealers requiring the same; and provided further that you shall, upon inquiry by the Company, advise the Company whether or not any Underwriter or dealer which shall have been selected by you retains any unsold Bonds and, for the purposes of this subsection (g), the Company shall be entitled to assume that the distribution of the Bonds has been completed when they are advised by you that no such Underwriter or dealer retains any Bonds. If at any time following issuance of an Issuer Free Writing Prospectus, there occurs an event or development as a result of which such Issuer Free Writing Prospectus would conflict with the information contained in the Registration Statement (or any other registration statement related to the Bonds) or the Statutory Prospectus or any preliminary prospectus would include an untrue statement of a material fact or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(h) As soon as practicable, to make generally available to its security holders an earnings statement covering a period of at least twelve months beginning after the “effective date of the registration statement” within the meaning of Rule 158 under the Securities Act which will satisfy the provisions of Section 11(a) of the Securities Act;

(i) To pay or bear (i) all expenses in connection with the matters herein required to be performed by the Company, including all expenses (except as provided in Section 6(g) above) in connection with the preparation and filing of the Registration Statement, the General Disclosure Package and the Prospectus, and any amendment or supplement thereto, and the furnishing of copies thereof to the Underwriters, and all audits, statements or reports in connection therewith, and all expenses in connection with the issue and delivery of the Bonds to the Underwriters at the place designated in Section 5 hereof, any fees and expenses relating to the eligibility and issuance of the Bonds in book-entry form and the cost of obtaining CUSIP or other identification numbers for the Bonds, all federal and state taxes (if any) payable (not including any transfer taxes) upon the original issue of the Bonds; (ii) all expenses in connection with the printing, reproduction and delivery of this Agreement and the printing, reproduction and delivery of any preliminary prospectus and each Prospectus, and (except as provided in Section 6(g) above) any amendment or supplement thereto, to the Underwriters; (iii) any and all fees payable in connection with the rating of the Bonds; (iv) the Company’s costs and expenses relating to investor presentations on any “road show” undertaken in connection with the marketing of the offering of the Bonds, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the Company’s portion of the costs of any aircraft chartered in connection with the road show; (v) all costs and expenses relating to the creation, filing or perfection of the security interests under the Indenture; and (vi) the reasonable fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee, in connection with the Indenture and the Bonds;

(j) During the period from the date of this Agreement through the Closing Date, the Company shall not, without the Representatives’ prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, any Bonds, any security convertible into or exchangeable into or exercisable for Bonds or any debt securities substantially similar to the Bonds (except for the Bonds issued pursuant to this Agreement); and

(k) The Company represents and agrees that, unless it obtains the prior consent of the Representatives (such consent not to be unreasonably withheld), it has not made and will not make any offer relating to the Bonds that would

constitute an Issuer Free Writing Prospectus or that would otherwise constitute a "free writing prospectus," as defined in Rule 405 of the Securities Act Regulations, required to be filed with the Commission. The Company represents that it has treated or agrees that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus," as defined in Rule 433, and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping in accordance with the Securities Act Regulations.

7. Conditions of Underwriters' Obligations.

The obligations of the several Underwriters to purchase and pay for the Bonds on the Closing Date shall be subject to the accuracy of the representations and warranties on the part of the Company contained herein at the date of this Agreement and the Closing Date, to the accuracy of the statements of the Company made in any certificates pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions:

(a) You shall have received a certificate, dated the Closing Date, of (1) an executive officer of the Company and (2) a principal financial or accounting officer or the controller of the Company, in which such officers, to the best of their knowledge after reasonable investigation, shall state that (i) the representations and warranties of the Company in this Agreement are true and correct in all material respects as of the Closing Date, (ii) the Company has complied in all material respects with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Date, (iii) no stop order suspending the effectiveness of the Registration Statement has been issued, and no proceedings for that purpose have been instituted or are pending by the Commission, and (iv) subsequent to the date of the latest financial statements in the General Disclosure Package and the Prospectus, there has been no material adverse change in the financial position or results of operations of the Company except as set forth or contemplated in the General Disclosure Package and the Prospectus.

(b) You shall have received from PricewaterhouseCoopers LLP a letter, dated the Closing Date, (i) confirming that PricewaterhouseCoopers LLP was an independent registered public accounting firm with respect to the Company within the meaning of the Securities Act and the Securities Act Regulations, (ii) stating that in their opinion, the consolidated financial statements of the Company audited by them and included or incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act, and the related published rules and regulations thereunder, and (iii) stating that they have read certain financial and statistical amounts included or incorporated by reference in the Registration Statement and the Prospectus, which amounts are set forth in such letter and agreed such amounts to the Company's accounting records which are

subject to controls over financial reporting or which have been derived directly from such accounting records by analysis or computation and have found such amounts to be in agreement with such results, except as otherwise specified in such letter. You shall have also received from Ernst & Young LLP letters, dated the date of this Agreement and the Closing Date, confirming that Ernst & Young LLP is an independent registered public accounting firm with respect to the Company within the meaning of the Securities Act and the Securities Act Regulations, and that:

- (i) in their opinion, the consolidated financial statements of the Company audited by them and included or incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act, and the related published rules and regulations thereunder;
- (ii) they have read the minutes of the meetings of the Company's Board of Directors and committees thereof as set forth in the minute books at a specified date not more than five Business Days prior to the date of delivery of such letter;
- (iii) they have, if applicable, performed the procedures specified by the Public Company Accounting Oversight Board (United States) for a review of interim financial information as described in Statement on Auditing Standards No. 100, Interim Financial Information, on the unaudited condensed interim financial statements of the Company included or incorporated by reference in the Registration Statement and have read the unaudited interim financial data for the period from the date of the latest balance sheet included or incorporated by reference in the Registration Statement to the date of the latest available interim financial data; and
- (iv) on the basis of the review referred to in clauses (ii) and (iii) above, a reading of the latest available interim financial statements of the Company, inquiries performed by them of certain officials of the Company who have responsibility for financial and accounting matters regarding the specific items for which representations are requested below and other specified procedures, nothing came to their attention that caused them to believe that:
  - (A) any material modifications should be made to the unaudited interim financial statements included or incorporated by reference in the Registration Statement for them to be in conformity with generally accepted accounting principles;
  - (B) the unaudited interim financial statements included or incorporated by reference in the Registration Statement do not



comply as to form in all material respects with the applicable accounting requirements of the Securities Act, the Exchange Act and the related published rules and regulations thereunder;

(C) at the date of the latest available balance sheet of the Company read by such accountants, there was any change in the stockholders equity, common stock, treasury stock or preferred securities (with or without sinking fund requirements), or any increase in long-term debt, as compared with amounts shown on the latest consolidated balance sheet included or incorporated by reference in the Registration Statement, or, at the date of the latest available income statement of the Company read by such accountants, there was any change in the consolidated operating revenue, consolidated operating income or consolidated net income, as compared with amounts shown on the latest consolidated income statement included or incorporated by reference in the Registration Statement; or

(D) at a date not more than five Business Days prior to the date of this Agreement, there was any change in (i) the stockholders equity, common stock, treasury stock or preferred securities (with or without sinking fund requirements), or any increase in long-term debt, as compared with amounts shown on the latest consolidated balance sheet included or incorporated by reference in the Registration Statement or (ii) the consolidated operating revenue, consolidated operating income or consolidated net income, as compared with amounts shown on the latest consolidated income statement included or incorporated by reference in the Registration Statement; except in all cases for changes, increases or decreases that the Prospectus discloses have occurred or may occur or that are described in such letter; and

(v) they have read certain financial and statistical amounts included or incorporated by reference in the Registration Statement and the Prospectus, which amounts are set forth in such letter and agreed such amounts to the Company's accounting records which are subject to controls over financial reporting or which have been derived directly from such accounting records by analysis or computation and have found such amounts to be in agreement with such results, except as otherwise specified in such letter, and such other procedures as the Underwriters may request and Ernst & Young LLP is willing to perform and report upon.

(c) The Registration Statement shall have become effective and, on the Closing Date, no stop order suspending the effectiveness of the Registration

Statement and/or any notice objecting to its use shall have been issued under the Securities Act or proceedings therefor initiated or threatened by the Commission, and any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of counsel to the Underwriters. A prospectus containing the Rule 430B Information shall have been filed with the Commission in the manner and within the time period required by Rule 424(b) without reliance on Rule 424(b)(8) (or a post-effective amendment providing such information shall have been filed and become effective in accordance with the requirements of Rule 430B). The Company shall have paid the required Commission filing fees relating to the Bonds within the time period required by Rule 456(b)(1)(i) of the Securities Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the Securities Act Regulations and, if applicable, shall have updated the "Calculation of Registration Fee" table in accordance with Rule 456(b)(1)(ii) either in a post-effective amendment to the Registration Statement or on the cover page of a prospectus filed pursuant to Rule 424(b).

(d) Subsequent to the execution of this Agreement, there shall not have occurred (i) any material adverse change not contemplated by the General Disclosure Package or the Prospectus (as it exists on the date hereof) in or affecting particularly the business or properties of the Company which, in your judgment, materially impairs the investment quality of the Bonds; (ii) any suspension or limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (iii) a general banking moratorium declared by federal or New York authorities or a material disruption in securities settlement, payment or clearance services in the United States; (iv) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency if, in your reasonable judgment, the effect of any such outbreak, escalation, declaration, calamity or emergency makes it impractical and inadvisable to proceed with completion of the sale of and payment for the Bonds and you shall have made a similar determination with respect to all other underwritings of debt securities of utility or energy companies in which you are participating and have a contractual right to make such a determination; or (v) any decrease in the ratings of the Bonds by Standard & Poor's Ratings Services, a Standard and Poor's Financial Services LLC business, Moody's Investors Service, Inc. or Fitch Ratings, or any such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of the Bonds.

(e) At or before the Closing Date, the Kentucky Public Service Commission and any other regulatory authority whose consent or approval shall be required for the issue and sale of the Bonds by the Company shall have taken all requisite action, or all such requisite action shall be deemed in fact and law to have

been taken, to authorize such issue and sale on the terms set forth in the Prospectus.

(f) You shall have received from Dorothy E. O'Brien, Vice President and Deputy General Counsel, Legal and Environmental Affairs, of the Company, or such other counsel for the Company as may be acceptable to you, an opinion in form and substance satisfactory to you, dated the Closing Date and addressed to you, as Representatives of the Underwriters, substantially to the effect that:

(i) The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the Commonwealth of Kentucky, with power and authority to own its properties and conduct its business as described in the General Disclosure Package and the Prospectus;

(ii) The Bonds have been duly authorized, executed and delivered by the Company and, assuming due authentication and delivery by the Trustee in the manner provided for in the Indenture and delivery against payment therefor, are valid and legally binding obligations of the Company entitled to the benefits and security of the Indenture, enforceable against the Company in accordance with their terms (except to the extent limited by the Enforceability Exceptions);

(iii) The Indenture has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms (except to the extent limited by the Enforceability Exceptions);

(iv) The Company has good and sufficient title to the interest and estate of the Company in all real property which is or is to be specifically or generally described or referred to in the Indenture as being subject to the lien thereof, subject only to (A) the lien of the Indenture, (B) Permitted Liens (as defined in the Indenture), and (C) defects and irregularities in title and other Liens (as defined in the Indenture) that in each case are not prohibited by the Indenture and that, in the judgment of such counsel, do not individually or in the aggregate, impair the operation of the Company's business in any material respect;

(v) The descriptions of all such property contained or referred to in the Indenture are adequate for purposes of the lien purported to be created by the Indenture;

(vi) The Indenture constitutes a valid mortgage lien on and security interest in all property which is specifically or generally described or referred to therein as being subject to the lien thereof (other than such

property as has been released from the Lien of the Indenture in accordance with the terms thereof), subject only to the Liens, defects and irregularities referred to in subparagraph (iv) above;

(vii) The Indenture by its terms will effectively subject to the lien thereof all property located in the Commonwealth of Kentucky acquired by the Company after the Closing Date of the character generally described or referred to in the Indenture as being subject to the lien thereof, subject to (A) defects and irregularities in title existing at the time of such acquisition, (B) Purchase Money Liens (as defined in the Indenture) and any other Liens placed or otherwise existing on such property at the time of such acquisition, (C) with respect to real property, Liens placed thereon following the acquisition thereof by the Company and prior to the recording and filing of a supplemental indenture or other instrument specifically describing such real property and (D) possible limitations arising out of laws relating to preferential transfers of property during certain periods prior to commencement of bankruptcy, insolvency or similar proceedings and to limitations on liens on property acquired by a debtor after the commencement of any such proceedings, and possible claims and taxes of the federal government, and except as otherwise provided in Article Thirteen of the Indenture; it being understood that, if any property were to become subject to the lien of the Indenture by virtue of the "springing lien" provisions contained in the proviso at the end of the definition of "Excepted Property" in the granting clauses of the Indenture, the lien of the Indenture as to such property would be subject to any Liens existing on such property at the time such property became subject to the Lien of the Indenture;

(viii) The Indenture has been duly recorded or lodged for record as a mortgage of real estate, and any required filings with respect to personal property and fixtures subject to the lien of the Indenture have been duly made, in each place in which such recording and filing is required to protect, preserve and perfect the lien of the Indenture, and all taxes and recording and filing fees required to be paid with respect to the execution, recording or filing of the Indenture, the filing of financing statements and similar documents and the issuance of the Bonds have been paid.

(ix) The descriptions in the Registration Statement, the General Disclosure Package and the Prospectus of statutes, legal and governmental proceedings and contracts and other documents are accurate and fairly present the information required to be shown; and (1) such counsel does not know of any legal or governmental proceedings required to be described in the Registration Statement, the General Disclosure Package or the Prospectus which are not described, or of any contracts or

documents of a character required to be described in the Registration Statement, the General Disclosure Package or the Prospectus or to be filed as exhibits to the Registration Statement which are not described and filed as required and (2) nothing has come to the attention of such counsel that would lead such counsel to believe either that the Registration Statement, at its effective date, contained any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or that the General Disclosure Package, as of the Applicable Time, or that the Prospectus, as supplemented, as of the date of this Agreement and as of the Closing Date, contained or contains any untrue statement of a material fact or omits or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the financial statements and other financial data contained in the Registration Statement, the General Disclosure Package or the Prospectus;

(x) None of the execution and delivery of this Agreement, the Supplemental Indenture, the issue and sale of the Bonds, or the consummation of any of the transactions herein or therein contemplated, will (i) violate any law or any regulation, order, writ, injunction or decree of any court or governmental instrumentality known to such counsel to be applicable to the Company, (ii) breach or violate, or constitute a default under, the Company's amended and restated articles of incorporation or bylaws, or (iii) breach or violate, or constitute a default under, any material agreement or instrument known to such counsel to which the Company is a party or by which it is bound, except in the case of clauses (i) and (iii), for such violations, breaches or defaults that would not in the aggregate have a material adverse effect on the Company's ability to perform its obligations hereunder or thereunder;

(xi) This Agreement has been duly authorized, executed and delivered by the Company;

(xii) The Order of the Kentucky Public Service Commission, dated August 3, 2012, has been obtained and is in full force and effect and is sufficient to authorize the issuance and sale by the Company of the Bonds as contemplated by this Agreement, and no further consent, approval, authorization, order, registration or qualification of or with any federal, state or local governmental agency or body or any federal, state or local court is required to be obtained by the Company for the consummation of the transactions contemplated by this Agreement and the Indenture in connection with the offering, issuance and sale by the Company of the Bonds, or the performance by the Company of its

obligations hereunder or thereunder, except (i) such as have been obtained or (ii) such as may be required under the blue sky laws of any jurisdiction; and

(xiii) Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, and except where the failure to hold such is not reasonably expected to have a material adverse effect on the Company's operations, the Company holds all franchises, certificates of public convenience, licenses and permits (some of which expire at various dates and some of which are without time limit) necessary to carry on the utility business in which it is engaged.

In expressing any of the foregoing opinions (other than the opinions in paragraph (ix) above), the Deputy General Counsel of the Company (or such other counsel for the Company) may rely on opinions, dated the Closing Date, of Pillsbury Winthrop Shaw Pittman LLP, Frost Brown Todd LLC, Kentucky counsel to the Company, and/or Stoll Keenon Ogden PLLC, special Kentucky counsel to the Company, and in the case of the opinions in paragraphs (iv) to (viii) above, the Deputy General Counsel (or such other counsel as the case may be) shall rely, in part, on such opinions of Frost Brown Todd LLC and/or Stoll Keenon Ogden PLLC. Copies of the opinions of Frost Brown Todd LLC and Stoll Keenon Ogden PLLC shall be delivered to the Underwriters and the Underwriters and Counsel for the Underwriters shall be entitled to rely on such opinions.

(g) You shall have received from Pillsbury Winthrop Shaw Pittman LLP, special counsel to the Company, an opinion in form and substance satisfactory to you, dated the Closing Date and addressed to you, as Representatives of the Underwriters, substantially to the effect that:

(i) The Bonds have been duly authorized, executed and delivered by the Company and, assuming due authentication and delivery by the Trustee in the manner provided for in the Indenture and delivery against payment therefor, are valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms (except to the extent limited by the Enforceability Exceptions) and are entitled to the benefits and security of the Indenture;

(ii) The Indenture has been duly authorized, executed and delivered by the Company, has been qualified under the Trust Indenture Act and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms (except to the extent limited by the Enforceability Exceptions);

(iii) This Agreement has been duly authorized, executed and delivered by the Company;

(iv) (1) The Registration Statement has become effective under the Securities Act, and any preliminary prospectus included in the General Disclosure Package at the Applicable Time and the Prospectus were filed with the Commission pursuant to the subparagraph of Rule 424(b) specified in such opinion on the date or dates specified therein, and the Issuer General Use Free Writing Prospectus described in Schedule A attached hereto was filed with the Commission pursuant to Rule 433 on the date specified in such opinion; (2) to the best of the knowledge of such counsel after inquiry of the Company, no stop order suspending the effectiveness of the Registration Statement or any part thereof has been issued and no proceedings for that purpose have been instituted under the Securities Act; (3) the Registration Statement, as of its effective date, the Prospectus, as of the date of this Agreement, and any amendment or supplement thereto, as of its date, appeared on their face to be appropriately responsive in all material respects to the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder; and (4) no facts have come to the attention of such counsel that cause such counsel to believe either that the Registration Statement, as of its effective date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading; the General Disclosure Package, as of the Applicable Time, contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; or that the Prospectus, as supplemented, as of the date of this Agreement and as it shall have been amended or supplemented, as of the Closing Date, contained or contains any untrue statement of a material fact or omits or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the financial statements and other financial or statistical data, or management's assessment of the effectiveness of the Company's internal controls, contained or incorporated by reference in the Registration Statement, the General Disclosure Package or the Prospectus;

(v) No consent, approval, authorization or other order of any public board or body of the United States or the State of New York (except for the registration of the Bonds under the Securities Act and the qualification of the Indenture under the Trust Indenture Act and other than in connection or compliance with the provisions of the securities or "blue sky" laws of any jurisdiction, as to which such counsel need express no opinion) is legally required for the authorization of the issuance of the Bonds in the manner contemplated herein and in the General Disclosure Package and the Prospectus;

(vi) The statements in the General Disclosure Package and the Prospectus under the caption "Description of the Bonds", insofar as they purport to constitute summaries of certain terms of the Indenture and the Bonds, constitute accurate summaries of such terms of such document and securities in all material respects; and

(vii) The Company is not an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

In rendering such opinion, Pillsbury Winthrop Shaw Pittman LLP may rely as to matters governed by Kentucky law upon the opinion of the Deputy General Counsel of the Company or such other counsel referred to in Section 7(f).

(h) You shall have received from Davis Polk & Wardwell LLP, counsel for the Underwriters, such opinion or opinions in form and substance satisfactory to you, dated the Closing Date, with respect to matters as you may require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters. In rendering such opinion or opinions, Davis Polk & Wardwell LLP may rely, as to matters governed by Kentucky law, upon the opinion of the Deputy General Counsel of the Company referred to above or the opinion of any special counsel referred to above; and

(i) You shall have received from the Company a copy of the rating letters from Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, Moody's Investors Service, Inc. and Fitch Ratings assigning ratings on the Bonds or other evidence reasonably satisfactory to the Representatives of such ratings.

The Company will furnish you as promptly as practicable after the Closing Date with such conformed copies of such opinions, certificates, letters and documents as you may reasonably request.

In case any such condition shall not have been satisfied, this Agreement may be terminated by you upon notice in writing or by telegram to the Company without liability or obligation on the part of the Company or any Underwriter, except as provided in Sections 6(e), 6(i), 9, 11 and 14 hereof.

8. Conditions of Company's Obligations.

The obligations of the Company to sell and deliver the Bonds on the Closing Date are subject to the following conditions:

(a) At the Closing Date, no stop order suspending the effectiveness of the Registration Statement shall be in effect or proceeding therefor shall have been instituted or, to the knowledge of the Company, shall be contemplated.



(b) At or before the Closing Date, the Kentucky Public Service Commission and any other regulatory authority whose consent or approval shall be required for the issue and sale of the Bonds by the Company shall have taken all requisite action, or all such requisite action shall be deemed in fact and law to have been taken, to authorize such issue and sale on the terms set forth in the Prospectus.

If any such conditions shall not have been satisfied, then the Company shall be entitled, by notice in writing or by telegram to you, to terminate this Agreement without any liability or obligation on the part of the Company or any Underwriter, except as provided in Sections 6(e), 6(i), 9, 11 and 14 hereof.

9. Indemnification and Contribution.

(a) The Company agrees that it will indemnify and hold harmless each Underwriter and the officers, directors, partners, members, employees, agents and affiliates of each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act (each "an indemnified party"), against any loss, expense, claim, damage or liability to which, jointly or severally, such Underwriter or such controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, expense, claim, damage or liability (or actions in respect thereof) arises out of or is based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, any Statutory Prospectus, any Issuer Free Writing Prospectus or the Prospectus, or any amendment or supplement to any thereof, or arises out of or is based upon the omission or alleged omission to state therein any material fact required to be stated therein or necessary to make the statements therein not misleading and, except as hereinafter in this Section 9 provided, the Company agrees to reimburse each indemnified party for any reasonable legal or other expenses as incurred by such indemnified party in connection with investigating or defending any such loss, expense, claim, damage or liability; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, expense, claim, damage or liability arises out of or is based on an untrue statement or alleged untrue statement or omission or alleged omission made in any such document in reliance upon, and in conformity with, written information furnished to the Company as set forth in Schedule B hereto by or through you on behalf of any Underwriter expressly for use in any such document or arises out of, or is based on, statements or omissions from the part of the Registration Statement which shall constitute the Statement of Eligibility under the Trust Indenture Act of the Trustee under the Indenture.

(b) Each Underwriter, severally and not jointly, agrees that it will indemnify and hold harmless the Company and its officers and directors, and each of them, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act, against any loss, expense, claim, damage or

liability to which it or they may become subject, under the Securities Act or otherwise, insofar as such loss, expense, claim, damage or liability (or actions in respect thereof) arises out of or is based on any untrue statement or alleged untrue statement of any material fact contained in the Statutory Prospectus, any Issuer Free Writing Prospectus or the Prospectus, or any amendment or supplement to any thereof, or arises out of or is based upon the omission or alleged omission to state therein any material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, and only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any such documents in reliance upon, and in conformity with, written information furnished to the Company as set forth in Schedule B hereto by or through you on behalf of such Underwriter expressly for use in any such document; and, except as hereinafter in this Section 9 provided, each Underwriter, severally and not jointly, agrees to reimburse the Company and its officers and directors, and each of them, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act, for any reasonable legal or other expenses incurred by it or them in connection with investigating or defending any such loss, expense, claim, damage or liability.

(c) Upon receipt of notice of the commencement of any action against an indemnified party, the indemnified party shall, with reasonable promptness, if a claim in respect thereof is to be made against an indemnifying party under its agreement contained in this Section 9, notify such indemnifying party in writing of the commencement thereof; but the omission so to notify an indemnifying party shall not relieve it from any liability which it may have to the indemnified party otherwise than under subsection (a) or (b) of this Section 9. In the case of any such notice to an indemnifying party, the indemnifying party shall be entitled to participate at its own expense in the defense, or if it so elects, to assume the defense, of any such action, but, if it elects to assume the defense, such defense shall be conducted by counsel chosen by it and satisfactory to the indemnified party and to any other indemnifying party that is a defendant in the suit. In the event that any indemnifying party elects to assume the defense of any such action and retain such counsel, the indemnified party shall bear the fees and expenses of any additional counsel retained by it unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and the representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them; provided, however, that in no event shall the indemnifying party be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from its own counsel for all indemnified parties in

connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall be liable in the event of any settlement of any such action effected without its consent. Each indemnified party agrees promptly to notify each indemnifying party of the commencement of any litigation or proceedings against it in connection with the issue and sale of the Bonds.

(d) If any Underwriter or person entitled to indemnification by the terms of subsection (a) of this Section 9 shall have given notice to the Company of a claim in respect thereof pursuant to subsection (c) of this Section 9, and if such claim for indemnification is thereafter held by a court to be unavailable for any reason other than by reason of the terms of this Section 9 or if such claim is unavailable under controlling precedent, such Underwriter or person shall be entitled to contribution from the Company for liabilities and expenses, except to the extent that contribution is not permitted under Section 11(f) of the Securities Act. In determining the amount of contribution to which such Underwriter or person is entitled, there shall be considered the relative benefits received by such Underwriter or person and the Company from the offering of the Bonds that were the subject of the claim for indemnification (taking into account the portion of the proceeds of the offering realized by each), the Underwriter or person's relative knowledge and access to information concerning the matter with respect to which the claim was asserted, the opportunity to correct and prevent any statement or omission, and any other equitable considerations appropriate under the circumstances. The Company and the Underwriters agree that it would not be equitable if the amount of such contribution were determined by pro rata or per capita allocation (even if the Underwriters were treated as one entity for such purpose).

(e) No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 9 (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party and all liability arising out of such litigation, investigation, proceeding or claim, and (ii) does not include a statement as to or an admission of fault, culpability or the failure to act by or on behalf of any indemnified party.

(f) The indemnity and contribution provided for in this Section 9 and the representations and warranties of the Company and the several Underwriters set forth in this Agreement shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or any person controlling any Underwriter or the Company or their respective directors or

officers, (ii) the acceptance of any Bonds and payment therefor under this Agreement, and (iii) any termination of this Agreement.

10. Default of Underwriters.

If any Underwriter or Underwriters default in their obligations to purchase Bonds hereunder, the non-defaulting Underwriters may make arrangements satisfactory to the Company for the purchase of such Bonds by other persons, including any of the non-defaulting Underwriters, but if no such arrangements are made by the Closing Date, the other Underwriters shall be obligated, severally in the proportion which their respective commitments hereunder bear to the total commitment of the non-defaulting Underwriters, to purchase the Bonds which such defaulting Underwriter or Underwriters agreed but failed to purchase. In the event that any Underwriter or Underwriters default in their obligations to purchase Bonds hereunder, the Company may by prompt written notice to non-defaulting Underwriters postpone the Closing Date for a period of not more than seven full Business Days in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus or in any other documents, and the Company will promptly file any amendments to the Registration Statement or supplements to the Prospectus which may thereby be made necessary. As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve an Underwriter from liability for its default.

11. Survival of Certain Representations and Obligations.

The respective indemnities, agreements, representations and warranties of the Company and of or on behalf of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter or the Company or any of its officers or directors or any controlling person, and will survive delivery of and payment for the Bonds. If for any reason the purchase of the Bonds by the Underwriters is not consummated, the Company shall remain responsible for the expenses to be paid or reimbursed by it pursuant to Section 6, and the respective obligations of the Company and the Underwriters pursuant to Section 9 hereof shall remain in effect.

12. Notices.

The Company shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of each of the Underwriters if the same shall have been made or given by you jointly or by Citigroup Global Markets Inc. All statements, requests, notices, consents and agreements hereunder shall be in writing, or by telegraph subsequently confirmed in writing, and, if to the Company, shall be sufficient in all respects if delivered or mailed to the Company at 220 West Main Street, Louisville, Kentucky 40202, Attention: Treasurer, and, if to you, shall be sufficient in all respects if delivered or mailed to you at the address set forth on the first page hereof (a copy of

which shall be sent to Citigroup Global Markets Inc., 388 Greenwich Street, New York, NY 10013, Attention: General Counsel, RBS Securities Inc., 3600 Washington Blvd, Stamford, CT 06901, Attention: Debt Capital Markets/Syndicate, SunTrust Robinson Humphrey, Inc., 3333 Peachtree Road, 11th Floor, Mail Code: GA-ATLANTA-3947, Atlanta, GA 30326, Attention: Investment Grade Debt Capital Markets, and U.S. Bancorp Investments, Inc., 214 N. Tryon St., Charlotte, NC 28202, Attention: High Grade Syndicate); provided, however, that any notice to an Underwriter pursuant to Section 9 hereof will also be delivered or mailed to such Underwriter at the address, if any, of such Underwriter furnished to the Company in writing for the purpose of communications hereunder.

13. Parties in Interest.

This Agreement shall inure solely to the benefit of the Company and the Underwriters and, to the extent provided in Section 9 hereof, to any person who controls any Underwriter, to the officers and directors of the Company, and to any person who controls the Company, and their respective successors. No other person, partnership, association or corporation shall acquire or have any right under or by virtue of this Agreement. The term "successor" shall not include any assignee of an Underwriter (other than one who shall acquire all or substantially all of such Underwriter's business and properties), nor shall it include any purchaser of Bonds from any Underwriter merely because of such purchase.

14. No Advisory or Fiduciary Relationship.

The Company acknowledges and agrees that (a) the purchase and sale of the Bonds pursuant to this Agreement, including the determination of the public offering price of the Bonds and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other hand, (b) in connection with the offering contemplated hereby and the process leading to such transaction, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company, or its stockholders, creditors, employees or any other party, (c) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company on other matters) and no Underwriter has any obligation to the Company with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement, (d) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, (e) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate and (f) the Company waives, to the fullest extent permitted by law, any claims it may have against the Underwriters for breach of fiduciary duty or alleged breach of fiduciary duty and agrees

that the Underwriters shall have no liability (whether direct or indirect) to the Company in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including its respective stockholders, creditors or employees.

15. Representation of Underwriters.

Any action under this Agreement taken by the Representatives will be binding upon all the Underwriters.

16. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

17. Effectiveness.

This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

18. Waiver of Jury Trial.

The Company and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

19. Headings.

The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

20. Applicable Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Please confirm that the foregoing correctly sets forth the agreement between us by signing in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement between the Company and the several Underwriters in accordance with its terms.

Yours very truly,

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ Daniel K. Arbough  
Name: Daniel K. Arbough  
Title: Treasurer

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The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

**CITIGROUP GLOBAL MARKETS INC.**

By: /s/ Brian D. Bednarski  
Name: Brian D. Bednarski  
Title: Managing Director

**RBS SECURITIES INC.**

By: /s/ Jennifer Powers  
Name: Jennifer Powers  
Title: Managing Director

**SUNTRUST ROBINSON HUMPHREY, INC.**

By: /s/ Christopher S. Grumboski  
Name: Christopher S. Grumboski  
Title: Director

**U.S. BANCORP INVESTMENTS, INC.**

By: /s/ Phillip Bennett  
Name: Phillip Bennett  
Title: SVP/Managing Director

Acting severally on behalf of  
themselves and as Representatives of  
the several Underwriters named in  
Section 3 hereof.

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**SCHEDULE A**

**Issuer General Use Free Writing Prospectus**

1. **Final Terms and Conditions, dated November 6, 2013, for \$250,000,000 aggregate principal amount of 4.65% First Mortgage Bonds due 2043 filed with the Commission by the Company pursuant to Rule 433 under the Securities Act, a form of which is included herein as Annex I.**
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**SCHEDULE B**

**Information Represented and Warranted by the Underwriters  
Pursuant to Section 2 of the Underwriting Agreement**

1. The third paragraph under the caption "Underwriting" in the Prospectus related to the initial public offering price and selling concessions;
  2. The second and third sentences of the fourth paragraph under the caption "Underwriting" in the Prospectus related to market making;
  3. The fifth, sixth and seventh paragraphs under the caption "Underwriting" in the Prospectus related to short sales, stabilizing transactions and short covering transactions; and
  4. The twelfth paragraph under the caption "Underwriting" in the Prospectus related to activities of the Underwriters.
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Form of Final Term Sheet

LOUISVILLE GAS AND ELECTRIC COMPANY  
 \$250,000,000  
 FIRST MORTGAGE BONDS, 4.65% SERIES DUE 2043

Issuer:	Louisville Gas and Electric Company
Title:	4.65 % First Mortgage Bonds due 2043
Issuance Format:	SEC Registered
Principal Amount:	\$250,000,000
Trade Date:	November 6 , 2013
Settlement Date:	November 14 , 2013 (T+5)
Maturity Date:	November 15, 2043
Interest Payment Dates:	May 15 and November 15, commencing May 15, 2014
Annual Interest Rate:	4.650 %
Price to Public:	99.280 %
Benchmark Treasury:	2.875 % due May 15, 2043
Benchmark Treasury Yield:	3.795 %
Spread to Benchmark Treasury:	90 basis points
Yield to Maturity:	4.695 %
Optional Redemption:	Prior to May 15, 2043, the bonds will be redeemable, in whole at any time or in part from time to time, at a redemption price equal to the greater of (i) 100% of the principal amount of the bonds being redeemed and (ii) the sum of the present values of the remaining scheduled payments of principal and interest discounted on a semi-annual basis at the Adjusted Treasury Rate, plus 15 basis points; plus, in either case, accrued and unpaid interest to the Redemption Date. On or after May 15, 2043, the bonds will be redeemable at a redemption price equal to 100% of the principal amount of the bonds being redeemed, plus accrued and unpaid interest to the Redemption Date.
CUSIP / ISIN:	546676 AV9 / US546676AV99
Joint Book-Running Managers:	Citigroup Global Markets Inc. RBS Securities Inc. SunTrust Robinson Humphrey, Inc. U.S. Bancorp Investments, Inc.

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Co-Managers:

Banco Bilbao Vizcaya Argentaria, S.A.  
BNY Mellon Capital Markets, LLC  
Mizuho Securities USA Inc.  
PNC Capital Markets LLC

**Under Rule 15c6-1 under the Exchange Act, trades in the secondary market are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Bonds prior to the settlement date will be required, by virtue of the fact that the Bonds initially will settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Bonds who wish to trade the Bonds prior to the settlement date should consult their advisors.**

**The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Citigroup Global Markets Inc. at (800) 831-9146; RBS Securities Inc. at (866) 884-2071; SunTrust Robinson Humphrey, Inc. at (800) 685-4786; and U.S. Bancorp Investments, Inc. at (877) 558-2607.**

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KENTUCKY UTILITIES COMPANY  
\$250,000,000  
First Mortgage Bonds, 4.65% Series due 2043

UNDERWRITING AGREEMENT

November 6, 2013

BNP Paribas Securities Corp.  
Citigroup Global Markets Inc.  
Goldman, Sachs & Co.  
Mitsubishi UFJ Securities (USA), Inc.  
As Representatives of the Several Underwriters  
c/o Goldman, Sachs & Co.  
200 West Street  
New York, NY 10282

Ladies and Gentlemen:

1. Introductory.

Kentucky Utilities Company, a corporation organized under the laws of the Commonwealth of Kentucky and the Commonwealth of Virginia (the "Company"), proposes to issue and sell, and the several Underwriters named in Section 3 hereof (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), propose, severally and not jointly, to purchase, upon the terms and conditions set forth herein, \$250,000,000 aggregate principal amount of the Company's First Mortgage Bonds, 4.65% Series due 2043 (the "Bonds") to be issued under an Indenture, dated as of October 1, 2010 (the "Base Indenture"), as heretofore amended and supplemented by Supplemental Indenture No. 1, dated as of October 15, 2010, and Supplemental Indenture No. 2 thereto, dated as of November 1, 2010, and as to be further supplemented by Supplemental Indenture No. 3 thereto relating to the Bonds, to be dated as of November 1, 2013 (the "Supplemental Indenture", and the Base Indenture as so amended and supplemented, the "Indenture"), between the Company and The Bank of New York Mellon, as trustee thereunder (the "Trustee").

The Company has filed with the Securities and Exchange Commission (the "Commission") an automatic shelf registration statement (No. 333-180410-02) on Form S-3, including the related preliminary prospectus or prospectus, which registration statement became effective upon filing under Rule 462(e) ("Rule 462(e)") of the rules and regulations of the Commission (the "Securities Act Regulations") under the

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Securities Act of 1933, as amended (the "Securities Act"). Such registration statement covers the registration of the Bonds under the Securities Act. Promptly after the date of this Agreement, the Company will prepare and file a prospectus in accordance with the provisions of Rule 430B ("Rule 430B") of the Securities Act Regulations and paragraph (b) of Rule 424 ("Rule 424(b)") of the Securities Act Regulations. Any information included in such prospectus that was omitted from such registration statement at the time it became effective but that is deemed to be part of and included in such registration statement pursuant to Rule 430B is referred to as "Rule 430B Information." Each prospectus used in connection with the offering of the Bonds that omitted Rule 430B Information (other than a "free writing prospectus" as defined in Rule 405 of the Securities Act Regulations that has not been approved in writing by the Company and the Representatives), including any related prospectus supplement and the documents incorporated by reference therein pursuant to Item 12 of Form S-3, is herein called a "preliminary prospectus." Such registration statement, at any given time, including the amendments or supplements thereto to such time, the exhibits and any schedules thereto at such time, the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act at such time and the documents otherwise deemed to be a part thereof or included therein by the Securities Act Regulations, is herein called the "Registration Statement." The Registration Statement at the time it originally became effective is herein called the "Original Registration Statement." The final prospectus in the form first furnished to the Underwriters for use in connection with the offering of the Bonds, including the related prospectus supplement and the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act as of the date hereof, is herein called the "Prospectus." For purposes of this Agreement, all references to the Registration Statement, any preliminary prospectus, the Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval ("EDGAR") system.

All references in this Agreement to financial statements and schedules and other information which is "contained," "included" or "stated" in the Registration Statement, any preliminary prospectus or the Prospectus (or other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is incorporated by reference in or otherwise deemed by the Securities Act Regulations to be a part of or included in the Registration Statement, any preliminary prospectus or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the Securities Exchange Act of 1934, as amended (the "Exchange Act") which is incorporated by reference in or otherwise deemed by the Securities Act Regulations to be a part of or included in the Registration Statement, such preliminary prospectus or the Prospectus, as the case may be.

2. Representations and Warranties.

The Company represents and warrants to each Underwriter as of the date hereof, as of the Applicable Time referred to in Section 2(b) hereof and as of the Closing Date referred to in Section 5 hereof, and agrees with each Underwriter as follows:

(a) (A) At the time of filing the Original Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the Securities Act Regulations) made any offer relating to the Bonds in reliance on the exemption of Rule 163 of the Securities Act Regulations (“Rule 163”) or made a bona fide offer (within the meaning of Rule 164(h)(2) of the Securities Act Regulations) and (D) at the date hereof, the Company was and is eligible to register and issue the Bonds as a “well-known seasoned issuer” as defined in Rule 405 of the Securities Act Regulations (“Rule 405”), including not having been and not being an “ineligible issuer” as defined in Rule 405. The Registration Statement is an “automatic shelf registration statement,” as defined in Rule 405, and the Bonds, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 “automatic shelf registration statement.” The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the Securities Act Regulations objecting to the use of the automatic shelf registration statement form;

(b) The Original Registration Statement became effective upon filing under Rule 462(e) of the Securities Act Regulations on March 28, 2012, and any post-effective amendment thereto also became effective upon filing under Rule 462(e). No stop order suspending the effectiveness of the Registration Statement or any notice objecting to its use has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with.

Any offer that is a written communication relating to the Bonds made prior to the filing of the Original Registration Statement by the Company or any person acting on its behalf (within the meaning, for this paragraph only, of Rule 163(c) of the Securities Act Regulations) has been filed with the Commission in accordance with the exemption provided by Rule 163 and otherwise complied with the requirements of Rule 163, including without limitation the legending requirement, to qualify such offer for the exemption from Section 5(c) of the Securities Act provided by Rule 163.

At the respective times the Original Registration Statement and each amendment thereto became effective, at each deemed effective date with respect to the Underwriters pursuant to Rule 430B(f)(2) of the Securities Act Regulations and at the Closing Date, the Registration Statement complied and will comply in all material respects with the requirements of the Securities Act and the Securities Act Regulations and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the rules and regulations thereunder, and did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

Neither the Prospectus nor any amendments or supplements thereto, at the time the Prospectus or any such amendment or supplement was issued and at the Closing Date, included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Each preliminary prospectus (including the prospectus or prospectuses filed as part of the Original Registration Statement or any amendment thereto) complied when so filed and each Prospectus will comply when so filed in all material respects with the Securities Act Regulations and each preliminary prospectus and the Prospectus delivered to the Underwriters for use in connection with this offering was identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

As of the Applicable Time (as defined below), neither (x) the Issuer General Use Free Writing Prospectus(es) (as defined below) issued at or prior to the Applicable Time, the Statutory Prospectus (as defined below) and the Issuer Free Writing Prospectus, including the Final Term Sheet prepared and filed pursuant to Section 6(b) identified on Schedule A hereto, all considered together (collectively, the "General Disclosure Package"), nor (y) any individual Issuer Limited Use Free Writing Prospectus (as defined below), when considered together with the General Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

As of the time of the filing of the Final Term Sheet, the General Disclosure Package, when considered together with the Final Term Sheet (as defined in Section 6(b)), will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.



As used in this subsection and elsewhere in this Agreement:

“Applicable Time” means 2:40 p.m., New York City time, on November 6, 2013 or such other time as agreed by the Company and the Representatives.

“Issuer Free Writing Prospectus” means any “issuer free writing prospectus,” as defined in Rule 433 of the Securities Act Regulations (“Rule 433”), relating to the Bonds that (i) is required to be filed with the Commission by the Company, (ii) is a “road show that is a written communication” within the meaning of Rule 433(d)(8)(i), whether or not required to be filed with the Commission or (iii) is exempt from filing pursuant to Rule 433(d)(5)(i) because it contains a description of the Bonds or of the offering that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company’s records pursuant to Rule 433(g).

“Issuer General Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being specified in Schedule A hereto.

“Issuer Limited Use Free Writing Prospectus” means any Issuer Free Writing Prospectus that is not an Issuer General Use Free Writing Prospectus.

“Permitted Free Writing Prospectus” means any free writing prospectus consented to in writing by the Company and the Representatives. For the avoidance of doubt, any free writing prospectus that is not consented to in writing by the Company does not constitute a Permitted Free Writing Prospectus and will not be an Issuer Free Writing Prospectus.

“Statutory Prospectus” as of any time means the prospectus relating to the Bonds that is included in the Registration Statement immediately prior to that time, including any document incorporated by reference therein and any preliminary or other prospectus deemed to be a part thereof.

Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Bonds or until any earlier date that the Company notified or notifies the Representatives as described in Section 6(g), did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus, including any document incorporated by reference therein and any preliminary or other prospectus deemed to be a part thereof that has not been superseded or modified.

The representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus made in reliance upon and in conformity with written information furnished to the Company as set forth in Schedule B hereto by any Underwriter through the Representatives expressly for use therein or to any statements in or omissions from the Statement of Eligibility of the Trustee under the Indenture. At the effective date of the Registration Statement, the Indenture conformed in all material respects to the Trust Indenture Act and the rules and regulations thereunder;

(c) The Company has been duly organized, is validly existing as a corporation in good standing under the laws of the Commonwealths of Kentucky and Virginia, has the power and authority to own its property and to conduct its business as described in the General Disclosure Package and the Prospectus and to enter into and perform its obligations under this Agreement, the Indenture and the Bonds, and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Company;

(d) The Bonds have been duly authorized by the Company and, when issued, authenticated and delivered in the manner provided for in the Indenture and delivered against payment of the consideration therefor, will constitute valid and binding obligations of the Company enforceable in accordance with their terms, except to the extent limited by bankruptcy, insolvency, fraudulent conveyance, reorganization or moratorium laws or by other laws now or hereafter in effect relating to or affecting the enforcement of mortgagee's and other creditors' rights and by general equitable principles (regardless of whether considered in a proceeding in equity or at law), an implied covenant of good faith and fair dealing and consideration of public policy, and federal or state securities law limitations on indemnification and contribution (the "Enforceability Exceptions"); the Bonds will be in the forms established pursuant to, and entitled to the benefits of, the Indenture; and the Bonds will conform in all material respects to the statements relating thereto contained in the General Disclosure Package and the Prospectus;

(e) The Indenture has been duly authorized by the Company; at the Closing Date, the Supplemental Indenture will have been duly executed and delivered by the Company, and assuming due authorization, execution and delivery of the Indenture by the Trustee, the Indenture will constitute a valid and legally binding obligation of the Company enforceable in accordance with its terms (except to the extent limited by the Enforceability Exceptions); the Indenture conforms and will conform in all material respects to the statements relating thereto contained in the General Disclosure Package and the Prospectus; and at the

effective date of the Registration Statement, the Indenture was duly qualified under the Trust Indenture Act;

(f) The Company is in compliance in all material respects with its amended and restated articles of incorporation and bylaws;

(g) The Order of the Kentucky Public Service Commission, dated August 3, 2012, the Order of the State Corporation Commission of the Commonwealth of Virginia, dated July 27, 2012, and the Order of the Tennessee Regulatory Authority, dated September 27, 2012, have been obtained and are in full force and effect and are sufficient to authorize the issuance and sale by the Company of the Bonds as contemplated by this Agreement, and no further consent, approval, authorization, order, registration or qualification of or with any federal, state or local governmental agency or body or any federal, state or local court is required to be obtained by the Company for the consummation of the transactions contemplated by this Agreement and the Indenture in connection with the offering, issuance and sale of the Bonds by the Company, or the performance by the Company of its obligations hereunder or thereunder, except (i) such as have been obtained or (ii) such as may be required under the blue sky laws of any jurisdiction in connection with the purchase and distribution of the Bonds by the Underwriters in the manner contemplated herein and in the General Disclosure Package and the Prospectus;

(h) None of the execution and delivery of this Agreement, the Supplemental Indenture, the issue and sale of the Bonds, or the consummation of any of the transactions herein or therein contemplated, will (i) violate any law or any regulation, order, writ, injunction or decree of any court or governmental instrumentality applicable to the Company, (ii) breach or violate, or constitute a default under, the Company's amended and restated articles of incorporation or bylaws, or (iii) breach or violate, or constitute a default under, any material agreement or instrument to which the Company is a party or by which it is bound, except in the case of clauses (i) and (iii), for such violations, breaches or defaults that would not in the aggregate have a material adverse effect on the Company's ability to perform its obligations hereunder or thereunder;

(i) The consolidated financial statements of the Company, together with the related notes and schedules, each set forth or incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the related published rules and regulations thereunder; such audited financial statements have been prepared in all material respects in accordance with generally accepted accounting principles consistently applied throughout the periods involved, except as disclosed therein; and no material modifications are required to be made to the unaudited interim financial statements for them to be in conformity with generally accepted accounting principles;

(j) This Agreement has been duly and validly authorized, executed and delivered by the Company;

(k) Since the respective dates as of which information is given in the General Disclosure Package and the Prospectus, except as otherwise stated therein or contemplated thereby, there has been no material adverse change, or event or occurrence that would result in a material adverse change in the financial position or results of operations of the Company;

(l) The Company is not, and after giving effect to the offering and sale of the Bonds and the application of the proceeds thereof as described in the General Disclosure Package and the Prospectus, will not be, an “investment company” as such term is defined in the Investment Company Act of 1940, as amended;

(m) Ernst & Young LLP and PricewaterhouseCoopers LLP, who have each audited certain financial statements of the Company and issued their respective reports with respect to the audited consolidated financial statements and schedules included and incorporated by reference in the General Disclosure Package and the Prospectus, are independent registered public accounting firms with respect to the Company during the periods covered by their reports within the meaning of the Securities Act and the Securities Act Regulations and the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”);

(n) The Company maintains systems of internal accounting controls sufficient to provide reasonable assurance that transactions are executed in accordance with management’s authorizations and transactions are recorded as necessary to permit preparation of financial statements. The Company maintains effective “disclosure controls and procedures” as such term is defined in Rule 13a-15(e) under the Exchange Act;

(o) (i) The Company has good and sufficient title to the interest and estate of the Company in all real property, and good title to all other property, which is or is to be specifically or generally described or referred to in the Indenture as being subject to the lien thereof, subject only to (A) the lien of the Indenture, (B) Permitted Liens (as defined in the Indenture), and (C) defects and irregularities in title and other Liens (as defined in the Indenture) that in each case are not prohibited by the Indenture and that, in the Company’s judgment, do not, individually or in the aggregate, impair the operation of the Company’s business in any material respect; (ii) the descriptions of all such property contained or referred to in the Indenture are adequate for purposes of the lien purported to be created by the Indenture; (iii) the Indenture (excluding the Supplemental Indenture) constitutes, and, on the Closing Date, the Indenture will constitute, a valid mortgage lien on and security interest in all property which is specifically or generally described or referred to therein as being subject to the lien thereof (other

than such property as has been released from the lien of the Indenture in accordance with the terms thereof), subject only to the Liens, defects and irregularities referred to in subparagraph (i) above; and (iv) on and after the Closing Date, the Indenture by its terms will effectively subject to the lien thereof all property located in the Commonwealth of Kentucky acquired by the Company after the Closing Date of the character generally described or referred to in the Indenture as being subject to the lien thereof, subject to (A) defects and irregularities in title existing at the time of such acquisition, (B) Purchase Money Liens (as defined in the Indenture) and any other Liens placed or otherwise existing or placed on such property at the time of such acquisition, (C) with respect to real property, Liens placed thereon following the acquisition thereof by the Company and prior to the recording and filing of a supplemental indenture or other instrument specifically describing such real property and (D) possible limitations arising out of laws relating to preferential transfers of property during certain periods prior to commencement of bankruptcy, insolvency or similar proceedings and to limitations on liens on property acquired by a debtor after the commencement of any such proceedings, and possible claims and taxes of the federal government, and except as otherwise provided in Article Thirteen of the Indenture; it being understood that, if any property were to become subject to the lien of the Indenture by virtue of the "springing lien provisions" contained in the proviso at the end of the definition of "Excepted Property" in the granting clauses of the Indenture, the lien of the Indenture as to such property would be subject to any Liens existing on such property at the time such property became subject to the lien of the Indenture;

(p) On the Closing Date, the Indenture will have been duly recorded or lodged for record as a mortgage of real estate, and any required filings with respect to personal property and fixtures subject to the lien of the Indenture will have been duly made, in each place in which such recording and filing is required to protect, preserve and perfect the lien of the Indenture, and all taxes and recording and filing fees required to be paid with respect to the execution, recording or filing of the Indenture, the filing of financing statements and similar documents and the issuance of the Bonds will have been paid;

(q) The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto;

(r) None of the Company or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA"), including, without limitation, making use of the mails or any means or instrumentality of interstate

commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA, and the Company and, to the knowledge of the Company, its affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith;

(s) The operations of the Company are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company with respect to the Money Laundering Laws is pending or, to the best knowledge of the Company, threatened; and

(t) None of the Company or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Company will not directly or indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds, to any joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

Each of you, as one of the several Underwriters, represents and warrants to, and agrees with, the Company, its directors and such of its officers as shall have signed the Registration Statement, and to each other Underwriter, that the information set forth in Schedule B hereto furnished to the Company by or through you or on your behalf expressly for use in the Registration Statement or the Prospectus does not contain an untrue statement of a material fact and does not omit to state a material fact in connection with such information required to be stated therein or necessary to make such information not misleading.

3. Purchase and Sale of Bonds.

On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein contained, the Company agrees to sell to the Underwriters, and the Underwriters agree, severally and not jointly, to

purchase from the Company, at a purchase price of 98.405% of the principal amount thereof, plus accrued interest, if any, from the date of the first authentication of the Bonds to the Closing Date (as hereinafter defined), the respective principal amounts of the Bonds set forth below opposite the names of such Underwriters.

<u>Underwriters</u>	<u>Principal Amount of Bonds</u>
BNP Paribas Securities Corp.	\$ 50,000,000
Citigroup Global Markets Inc.	\$ 50,000,000
Goldman, Sachs & Co.	\$ 50,000,000
Mitsubishi UFJ Securities (USA), Inc.	\$ 50,000,000
BNY Mellon Capital Markets, LLC	\$ 12,500,000
CIBC World Markets Corp.	\$ 12,500,000
Mizuho Securities USA Inc.	\$ 12,500,000
SMBC Nikko Securities America, Inc.	\$ 12,500,000
Total	<u>\$ 250,000,000</u>

4. Public Offering.

The several Underwriters agree that as soon as practicable, in their judgment, they will make a public offering of their respective portions of the Bonds in accordance with the terms set forth in the General Disclosure Package and the Prospectus.

5. Delivery and Payment.

The Bonds will be represented by one or more definitive global securities in book-entry form which will be deposited by or on behalf of the Company with The Depository Trust Company (“DTC”) or its designated custodian. The Company will deliver the Bonds to you against payment by you of the purchase price therefor (such delivery and payment herein referred to as the “Closing”) by wire transfer of immediately available funds to the Company’s account (No. 3752099120) at Bank of America (ABA Routing Number 026-0095-93) by 10:00 a.m., New York City time, on the Closing Date. Such payment shall be made upon delivery of the Bonds for the account of Goldman, Sachs & Co. at DTC. The Bonds so to be delivered will be in fully registered form in such authorized denominations as established pursuant to the Indenture. The Company will make the Bonds available for inspection by you at the office of The Bank of New York Mellon, 101 Barclay Street, 8<sup>th</sup> Floor, New York, New York 10286, Attention: Corporate Trust, not later than 10:00 a.m., New York City time, on the Business Day next preceding the Closing Date (“Business Day” shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in The City of New York).

Each Underwriter represents and agrees that, unless it obtains the prior written consent of the Company and the Representatives, it has not and will not make any offer relating to the Bonds that would constitute or would use an "issuer free writing prospectus" as defined in Rule 433 or that would otherwise constitute a "free writing prospectus" as defined in Rule 405 of the Securities Act Regulations that would be required to be filed with the Commission, other than information contained in the Final Term Sheet prepared in accordance with Section 6(b).

The term "Closing Date" wherever used in this Agreement shall mean November 14, 2013, or such other date (i) not later than the seventh full Business Day thereafter as may be agreed upon in writing by the Company and you, or (ii) as shall be determined by postponement pursuant to the provisions of Section 10 hereof.

6. Certain Covenants of the Company.

The Company covenants and agrees with the several Underwriters:

(a) Subject to Section 6(b), to comply with the requirements of Rule 430B and to notify the Representatives immediately, and confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement or new registration statement relating to the Bonds shall become effective, or any supplement to the Prospectus or any amended Prospectus shall have been filed, (ii) of the receipt of any comments from the Commission, (iii) of any request by the Commission for any amendment to the Registration Statement or the filing of a new registration statement or any amendment or supplement to the Prospectus or any document incorporated by reference therein or otherwise deemed to be a part thereof or for additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or such new registration statement or any notice objecting to its use or of any order preventing or suspending the use of any preliminary prospectus, or of the suspension of the qualification of the Bonds for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes or of any examination pursuant to Section 8(e) of the Securities Act concerning the Registration Statement and (v) if the Company becomes the subject of a proceeding under Section 8A of the Securities Act in connection with the offering of the Bonds. The Company will effect the filings required under Rule 424(b), in the manner and within the time period required by Rule 424(b) (without reliance on Rule 424(b)(8)). The Company will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment. The Company shall pay the required Commission filing fees relating to the Bonds within the time required by Rule 456(b)(1)(i) of the Securities Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the Securities Act Regulations (including, if applicable, by updating the "Calculation of Registration Fee" table in accordance with Rule 456(b)(1)(ii) either in a post-effective



amendment to the Registration Statement or on the cover page of a prospectus filed pursuant to Rule 424(b)).

(b) To give the Representatives notice of its intention to file or prepare any amendment to the Registration Statement or new registration statement relating to the Bonds or any amendment, supplement or revision to either any preliminary prospectus (including any prospectus included in the Original Registration Statement or amendment thereto at the time it became effective) or to the Prospectus, whether pursuant to the Securities Act, the Exchange Act or otherwise, and the Company will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representatives shall reasonably object in writing. The Company will give the Representatives notice of its intention to make any such filing pursuant to the Exchange Act, Securities Act or Securities Act Regulations from the Applicable Time to the Closing Date and will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing and will not file or use any such document to which the Representatives shall reasonably object in writing. The Company will prepare a final term sheet (the "Final Term Sheet") substantially in the form attached as Annex I hereto reflecting the final terms of the Bonds, and shall file such Final Term Sheet as an "Issuer Free Writing Prospectus" in accordance with Rule 433; provided that the Company shall furnish the Representatives with copies of any such Final Term Sheet a reasonable amount of time prior to such proposed filing and will not use or file any such document to which the Representatives shall reasonably object in writing.

(c) To furnish to each Underwriter, without charge, during the period when the Prospectus is required to be delivered under the Securities Act, as many copies of the Prospectus and any amendments and supplements thereto as each Underwriter may reasonably request.

(d) That before amending and supplementing the preliminary prospectus or the Prospectus, it will furnish to the Representatives a copy of each such proposed amendment or supplement and that it will not use any such proposed amendment or supplement to which the Representatives reasonably object in writing.

(e) To use its best efforts to qualify the Bonds and to assist in the qualification of the Bonds by you or on your behalf for offer and sale under the securities or "blue sky" laws of such jurisdictions as you may designate, to continue such qualification in effect so long as required for the distribution of the Bonds and to reimburse you for any expenses (including filing fees and fees and disbursements of counsel) paid by you or on your behalf to qualify the Bonds for offer and sale, to continue such qualification, to determine its eligibility for investment and to print any preliminary or supplemental "blue sky" survey or legal

investment memorandum relating thereto; provided that the Company shall not be required to qualify as a foreign corporation in any State, to consent to service of process in any State other than with respect to claims arising out of the offering or sale of the Bonds, or to meet any other requirement in connection with this paragraph (e) deemed by the Company to be unduly burdensome;

(f) Promptly to deliver to you one signed copy of the Registration Statement as originally filed and of all amendments thereto heretofore or hereafter filed, including conformed copies of all exhibits except those incorporated by reference, and such number of conformed copies of the Registration Statement (but excluding the exhibits), each related preliminary prospectus, the Prospectus, and any amendments and supplements thereto, as you may reasonably request;

(g) If at any time prior to the completion of the sale of the Bonds by the Underwriters (as determined by the Representatives), any event occurs as a result of which the Prospectus, as then amended or supplemented, would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it should be necessary to amend or supplement the Prospectus to comply with applicable law, the Company promptly (i) will notify the Representatives of any such event; (ii) subject to the requirements of paragraph (b) of this Section 6, will prepare an amendment or supplement that will correct such statement or omission or effect such compliance; and (iii) will supply any supplemented or amended Prospectus to the several Underwriters without charge in such quantities as they may reasonably request; provided that the expense of preparing and filing any such amendment or supplement to the Prospectus (x) that is necessary in connection with such a delivery of a supplemented or amended Prospectus more than nine months after the date of this Agreement or (y) that relates solely to the activities of any Underwriter shall be borne by the Underwriter or Underwriters or the dealer or dealers requiring the same; and provided further that you shall, upon inquiry by the Company, advise the Company whether or not any Underwriter or dealer which shall have been selected by you retains any unsold Bonds and, for the purposes of this subsection (g), the Company shall be entitled to assume that the distribution of the Bonds has been completed when they are advised by you that no such Underwriter or dealer retains any Bonds. If at any time following issuance of an Issuer Free Writing Prospectus, there occurs an event or development as a result of which such Issuer Free Writing Prospectus would conflict with the information contained in the Registration Statement (or any other registration statement related to the Bonds) or the Statutory Prospectus or any preliminary prospectus would include an untrue statement of a material fact or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such

Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(h) As soon as practicable, to make generally available to its security holders an earnings statement covering a period of at least twelve months beginning after the "effective date of the registration statement" within the meaning of Rule 158 under the Securities Act which will satisfy the provisions of Section 11(a) of the Securities Act;

(i) To pay or bear (i) all expenses in connection with the matters herein required to be performed by the Company, including all expenses (except as provided in Section 6(g) above) in connection with the preparation and filing of the Registration Statement, the General Disclosure Package and the Prospectus, and any amendment or supplement thereto, and the furnishing of copies thereof to the Underwriters, and all audits, statements or reports in connection therewith, and all expenses in connection with the issue and delivery of the Bonds to the Underwriters at the place designated in Section 5 hereof, any fees and expenses relating to the eligibility and issuance of the Bonds in book-entry form and the cost of obtaining CUSIP or other identification numbers for the Bonds, all federal and state taxes (if any) payable (not including any transfer taxes) upon the original issue of the Bonds; (ii) all expenses in connection with the printing, reproduction and delivery of this Agreement and the printing, reproduction and delivery of any preliminary prospectus and each Prospectus, and (except as provided in Section 6(g) above) any amendment or supplement thereto, to the Underwriters; (iii) any and all fees payable in connection with the rating of the Bonds; (iv) the Company's costs and expenses relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Bonds, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the Company's portion of the costs of any aircraft chartered in connection with the road show; (v) all costs and expenses relating to the creation, filing or perfection of the security interests under the Indenture; and (vi) the reasonable fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee, in connection with the Indenture and the Bonds;

(j) During the period from the date of this Agreement through the Closing Date, the Company shall not, without the Representatives' prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, any Bonds, any security convertible into or exchangeable into or exercisable for Bonds or any debt securities substantially similar to the Bonds (except for the Bonds issued pursuant to this Agreement); and

(k) The Company represents and agrees that, unless it obtains the prior consent of the Representatives (such consent not to be unreasonably withheld), it has not made and will not make any offer relating to the Bonds that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a “free writing prospectus,” as defined in Rule 405 of the Securities Act Regulations, required to be filed with the Commission. The Company represents that it has treated or agrees that it will treat each Permitted Free Writing Prospectus as an “issuer free writing prospectus,” as defined in Rule 433, and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping in accordance with the Securities Act Regulations.

7. Conditions of Underwriters’ Obligations.

The obligations of the several Underwriters to purchase and pay for the Bonds on the Closing Date shall be subject to the accuracy of the representations and warranties on the part of the Company contained herein at the date of this Agreement and the Closing Date, to the accuracy of the statements of the Company made in any certificates pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions:

(a) You shall have received a certificate, dated the Closing Date, of (1) an executive officer of the Company and (2) a principal financial or accounting officer or the controller of the Company, in which such officers, to the best of their knowledge after reasonable investigation, shall state that (i) the representations and warranties of the Company in this Agreement are true and correct in all material respects as of the Closing Date, (ii) the Company has complied in all material respects with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Date, (iii) no stop order suspending the effectiveness of the Registration Statement has been issued, and no proceedings for that purpose have been instituted or are pending by the Commission, and (iv) subsequent to the date of the latest financial statements in the General Disclosure Package and the Prospectus, there has been no material adverse change in the financial position or results of operations of the Company except as set forth or contemplated in the General Disclosure Package and the Prospectus.

(b) You shall have received from PricewaterhouseCoopers LLP a letter, dated the Closing Date, (i) confirming that PricewaterhouseCoopers LLP was an independent registered public accounting firm with respect to the Company within the meaning of the Securities Act and the Securities Act Regulations, (ii) stating that in their opinion, the consolidated financial statements of the Company audited by them and included or incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act, and the related published rules and regulations thereunder, and (iii) stating that they have read certain

financial and statistical amounts included or incorporated by reference in the Registration Statement and the Prospectus, which amounts are set forth in such letter and agreed such amounts to the Company's accounting records which are subject to controls over financial reporting or which have been derived directly from such accounting records by analysis or computation and have found such amounts to be in agreement with such results, except as otherwise specified in such letter. You shall have also received from Ernst & Young LLP letters, dated the date of this Agreement and the Closing Date, confirming that Ernst & Young LLP is an independent registered public accounting firm with respect to the Company within the meaning of the Securities Act and the Securities Act Regulations, and that:

(i) in their opinion, the consolidated financial statements of the Company audited by them and included or incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act, and the related published rules and regulations thereunder;

(ii) they have read the minutes of the meetings of the Company's Board of Directors and committees thereof as set forth in the minute books at a specified date not more than five Business Days prior to the date of delivery of such letter;

(iii) they have, if applicable, performed the procedures specified by the Public Company Accounting Oversight Board (United States) for a review of interim financial information as described in Statement on Auditing Standards No. 100, Interim Financial Information, on the unaudited condensed interim financial statements of the Company included or incorporated by reference in the Registration Statement and have read the unaudited interim financial data for the period from the date of the latest balance sheet included or incorporated by reference in the Registration Statement to the date of the latest available interim financial data; and

(iv) on the basis of the review referred to in clauses (ii) and (iii) above, a reading of the latest available interim financial statements of the Company, inquiries performed by them of certain officials of the Company who have responsibility for financial and accounting matters regarding the specific items for which representations are requested below and other specified procedures, nothing came to their attention that caused them to believe that:

(A) any material modifications should be made to the unaudited interim financial statements included or incorporated by

reference in the Registration Statement for them to be in conformity with generally accepted accounting principles;

(B) the unaudited interim financial statements included or incorporated by reference in the Registration Statement do not comply as to form in all material respects with the applicable accounting requirements of the Securities Act, the Exchange Act and the related published rules and regulations thereunder;

(C) at the date of the latest available balance sheet of the Company read by such accountants, there was any change in the stockholders equity, common stock, treasury stock or preferred securities (with or without sinking fund requirements), or any increase in long-term debt, as compared with amounts shown on the latest consolidated balance sheet included or incorporated by reference in the Registration Statement, or, at the date of the latest available income statement of the Company read by such accountants, there was any change in the consolidated operating revenue, consolidated operating income or consolidated net income, as compared with amounts shown on the latest consolidated income statement included or incorporated by reference in the Registration Statement; or

(D) at a date not more than five Business Days prior to the date of this Agreement, there was any change in (i) the stockholders equity, common stock, treasury stock or preferred securities (with or without sinking fund requirements), or any increase in long-term debt, as compared with amounts shown on the latest consolidated balance sheet included or incorporated by reference in the Registration Statement or (ii) the consolidated operating revenue, consolidated operating income or consolidated net income, as compared with amounts shown on the latest consolidated income statement included or incorporated by reference in the Registration Statement; except in all cases for changes, increases or decreases that the Prospectus discloses have occurred or may occur or that are described in such letter; and

(v) they have read certain financial and statistical amounts included or incorporated by reference in the Registration Statement and the Prospectus, which amounts are set forth in such letter and agreed such amounts to the Company's accounting records which are subject to controls over financial reporting or which have been derived directly from such accounting records by analysis or computation and have found such amounts to be in agreement with such results, except as otherwise specified in such letter, and such other procedures as the Underwriters

may request and Ernst & Young LLP is willing to perform and report upon.

(c) The Registration Statement shall have become effective and, on the Closing Date, no stop order suspending the effectiveness of the Registration Statement and/or any notice objecting to its use shall have been issued under the Securities Act or proceedings therefor initiated or threatened by the Commission, and any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of counsel to the Underwriters. A prospectus containing the Rule 430B Information shall have been filed with the Commission in the manner and within the time period required by Rule 424(b) without reliance on Rule 424(b)(8) (or a post-effective amendment providing such information shall have been filed and become effective in accordance with the requirements of Rule 430B). The Company shall have paid the required Commission filing fees relating to the Bonds within the time period required by Rule 456(b)(1)(i) of the Securities Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the Securities Act Regulations and, if applicable, shall have updated the "Calculation of Registration Fee" table in accordance with Rule 456(b)(1)(ii) either in a post-effective amendment to the Registration Statement or on the cover page of a prospectus filed pursuant to Rule 424(b).

(d) Subsequent to the execution of this Agreement, there shall not have occurred (i) any material adverse change not contemplated by the General Disclosure Package or the Prospectus (as it exists on the date hereof) in or affecting particularly the business or properties of the Company which, in your judgment, materially impairs the investment quality of the Bonds; (ii) any suspension or limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (iii) a general banking moratorium declared by federal or New York authorities or a material disruption in securities settlement, payment or clearance services in the United States; (iv) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency if, in your reasonable judgment, the effect of any such outbreak, escalation, declaration, calamity or emergency makes it impractical and inadvisable to proceed with completion of the sale of and payment for the Bonds and you shall have made a similar determination with respect to all other underwritings of debt securities of utility or energy companies in which you are participating and have a contractual right to make such a determination; or (v) any decrease in the ratings of the Bonds by Standard & Poor's Ratings Services, a Standard and Poor's Financial Services LLC business, Moody's Investors Service, Inc. or Fitch Ratings, or any such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of the Bonds.

(e) At or before the Closing Date, the Kentucky Public Service Commission, the State Corporation Commission of the Commonwealth of Virginia, and the Tennessee Regulatory Authority and any other regulatory authority whose consent or approval shall be required for the issue and sale of the Bonds by the Company shall have taken all requisite action, or all such requisite action shall be deemed in fact and law to have been taken, to authorize such issue and sale on the terms set forth in the Prospectus.

(f) You shall have received from Dorothy E. O'Brien, Vice President and Deputy General Counsel, Legal and Environmental Affairs, of the Company, or such other counsel for the Company as may be acceptable to you, an opinion in form and substance satisfactory to you, dated the Closing Date and addressed to you, as Representatives of the Underwriters, substantially to the effect that:

(i) The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the Commonwealth of Kentucky and the Commonwealth of Virginia, with power and authority to own its properties and conduct its business as described in the General Disclosure Package and the Prospectus;

(ii) The Bonds have been duly authorized, executed and delivered by the Company and, assuming due authentication and delivery by the Trustee in the manner provided for in the Indenture and delivery against payment therefor, are valid and legally binding obligations of the Company entitled to the benefits and security of the Indenture, enforceable against the Company in accordance with their terms (except to the extent limited by the Enforceability Exceptions);

(iii) The Indenture has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms (except to the extent limited by the Enforceability Exceptions);

(iv) The Company has good and sufficient title to the interest and estate of the Company in all real property which is or is to be specifically or generally described or referred to in the Indenture as being subject to the lien thereof, subject only to (A) the lien of the Indenture, (B) Permitted Liens (as defined in the Indenture), and (C) defects and irregularities in title and other Liens (as defined in the Indenture) that in each case are not prohibited by the Indenture and that, in the judgment of such counsel, do not individually or in the aggregate, impair the operation of the Company's business in any material respect;



(v) The descriptions of all such property contained or referred to in the Indenture are adequate for purposes of the lien purported to be created by the Indenture;

(vi) The Indenture constitutes a valid mortgage lien on and security interest in all property which is specifically or generally described or referred to therein as being subject to the lien thereof (other than such property as has been released from the Lien of the Indenture in accordance with the terms thereof), subject only to the Liens, defects and irregularities referred to in subparagraph (iv) above;

(vii) The Indenture by its terms will effectively subject to the lien thereof all property located in the Commonwealth of Kentucky acquired by the Company after the Closing Date of the character generally described or referred to in the Indenture as being subject to the lien thereof, subject to (A) defects and irregularities in title existing at the time of such acquisition, (B) Purchase Money Liens (as defined in the Indenture) and any other Liens placed or otherwise existing on such property at the time of such acquisition, (C) with respect to real property, Liens placed thereon following the acquisition thereof by the Company and prior to the recording and filing of a supplemental indenture or other instrument specifically describing such real property and (D) possible limitations arising out of laws relating to preferential transfers of property during certain periods prior to commencement of bankruptcy, insolvency or similar proceedings and to limitations on liens on property acquired by a debtor after the commencement of any such proceedings, and possible claims and taxes of the federal government, and except as otherwise provided in Article Thirteen of the Indenture; it being understood that, if any property were to become subject to the lien of the Indenture by virtue of the "springing lien" provisions contained in the proviso at the end of the definition of "Excepted Property" in the granting clauses of the Indenture, the lien of the Indenture as to such property would be subject to any Liens existing on such property at the time such property became subject to the Lien of the Indenture;

(viii) The Indenture has been duly recorded or lodged for record as a mortgage of real estate, and any required filings with respect to personal property and fixtures subject to the lien of the Indenture have been duly made, in each place in which such recording and filing is required to protect, preserve and perfect the lien of the Indenture, and all taxes and recording and filing fees required to be paid with respect to the execution, recording or filing of the Indenture, the filing of financing statements and similar documents and the issuance of the Bonds have been paid.

(ix) The descriptions in the Registration Statement, the General Disclosure Package and the Prospectus of statutes, legal and governmental proceedings and contracts and other documents are accurate and fairly present the information required to be shown; and (1) such counsel does not know of any legal or governmental proceedings required to be described in the Registration Statement, the General Disclosure Package or the Prospectus which are not described, or of any contracts or documents of a character required to be described in the Registration Statement, the General Disclosure Package or the Prospectus or to be filed as exhibits to the Registration Statement which are not described and filed as required and (2) nothing has come to the attention of such counsel that would lead such counsel to believe either that the Registration Statement, at its effective date, contained any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or that the General Disclosure Package, as of the Applicable Time, or that the Prospectus, as supplemented, as of the date of this Agreement and as of the Closing Date, contained or contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the financial statements and other financial data contained in the Registration Statement, the General Disclosure Package or the Prospectus;

(x) None of the execution and delivery of this Agreement, the Supplemental Indenture, the issue and sale of the Bonds, or the consummation of any of the transactions herein or therein contemplated, will (i) violate any law or any regulation, order, writ, injunction or decree of any court or governmental instrumentality known to such counsel to be applicable to the Company, (ii) breach or violate, or constitute a default under, the Company's amended and restated articles of incorporation or bylaws, or (iii) breach or violate, or constitute a default under, any material agreement or instrument known to such counsel to which the Company is a party or by which it is bound, except in the case of clauses (i) and (iii), for such violations, breaches or defaults that would not in the aggregate have a material adverse effect on the Company's ability to perform its obligations hereunder or thereunder;

(xi) This Agreement has been duly authorized, executed and delivered by the Company;

(xii) The Order of the Kentucky Public Service Commission, dated August 3, 2012, the Order of the State Corporation Commission of the Commonwealth of Virginia, dated July 27, 2012, and the Order of the

Tennessee Regulatory Authority, dated September 27, 2012, have been obtained and are in full force and effect and are sufficient to authorize the issuance and sale by the Company of the Bonds as contemplated by this Agreement, and no further consent, approval, authorization, order, registration or qualification of or with any federal, state or local governmental agency or body or any federal, state or local court is required to be obtained by the Company for the consummation of the transactions contemplated by this Agreement and the Indenture in connection with the offering, issuance and sale by the Company of the Bonds, or the performance by the Company of its obligations hereunder or thereunder, except (i) such as have been obtained or (ii) such as may be required under the blue sky laws of any jurisdiction; and

(xiii) Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, and except where the failure to hold such is not reasonably expected to have a material adverse effect on the Company's operations, the Company holds all franchises, certificates of public convenience, licenses and permits (some of which expire at various dates and some of which are without time limit) necessary to carry on the utility business in which it is engaged.

In expressing any of the foregoing opinions (other than the opinions in paragraph (ix) above), the Deputy General Counsel of the Company (or such other counsel for the Company) may rely on opinions, dated the Closing Date, of Pillsbury Winthrop Shaw Pittman LLP, Stoll Keenon Ogden PLLC, special counsel to the Company, and in the case of the opinions in paragraphs (iv) to (viii) above, the Deputy General Counsel (or such other counsel as the case may be) shall rely, in part, on such opinion of Stoll Keenon Ogden PLLC. Copies of the opinion of Stoll Keenon Ogden PLLC shall be delivered to the Underwriters and the Underwriters and Counsel for the Underwriters shall be entitled to rely on such opinions.

(g) You shall have received from Pillsbury Winthrop Shaw Pittman LLP, special counsel to the Company, an opinion in form and substance satisfactory to you, dated the Closing Date and addressed to you, as Representatives of the Underwriters, substantially to the effect that:

(i) The Bonds have been duly authorized, executed and delivered by the Company and, assuming due authentication and delivery by the Trustee in the manner provided for in the Indenture and delivery against payment therefor, are valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms (except to the extent limited by the Enforceability Exceptions) and are entitled to the benefits and security of the Indenture;

(ii) The Indenture has been duly authorized, executed and delivered by the Company, has been qualified under the Trust Indenture Act and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms (except to the extent limited by the Enforceability Exceptions);

(iii) This Agreement has been duly authorized, executed and delivered by the Company;

(iv) (1) The Registration Statement has become effective under the Securities Act, and any preliminary prospectus included in the General Disclosure Package at the Applicable Time and the Prospectus were filed with the Commission pursuant to the subparagraph of Rule 424(b) specified in such opinion on the date or dates specified therein, and the Issuer General Use Free Writing Prospectus described in Schedule A attached hereto was filed with the Commission pursuant to Rule 433 on the date specified in such opinion; (2) to the best of the knowledge of such counsel after inquiry of the Company, no stop order suspending the effectiveness of the Registration Statement or any part thereof has been issued and no proceedings for that purpose have been instituted under the Securities Act; (3) the Registration Statement, as of its effective date, the Prospectus, as of the date of this Agreement, and any amendment or supplement thereto, as of its date, appeared on their face to be appropriately responsive in all material respects to the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder; and (4) no facts have come to the attention of such counsel that cause such counsel to believe either that the Registration Statement, as of its effective date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading; the General Disclosure Package, as of the Applicable Time, contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; or that the Prospectus, as supplemented, as of the date of this Agreement and as it shall have been amended or supplemented, as of the Closing Date, contained or contains any untrue statement of a material fact or omits or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the financial statements and other financial or statistical data, or management's assessment of the effectiveness of the Company's internal controls, contained or incorporated by reference in the Registration Statement, the General Disclosure Package or the Prospectus;

(v) No consent, approval, authorization or other order of any public board or body of the United States or the State of New York (except for the registration of the Bonds under the Securities Act and the qualification of the Indenture under the Trust Indenture Act and other than in connection or compliance with the provisions of the securities or "blue sky" laws of any jurisdiction, as to which such counsel need express no opinion) is legally required for the authorization of the issuance of the Bonds in the manner contemplated herein and in the General Disclosure Package and the Prospectus;

(vi) The statements in the General Disclosure Package and the Prospectus under the caption "Description of the Bonds", insofar as they purport to constitute summaries of certain terms of the Indenture and the Bonds, constitute accurate summaries of such terms of such document and securities in all material respects; and

(vii) The Company is not an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

In rendering such opinion, Pillsbury Winthrop Shaw Pittman LLP may rely as to matters governed by Kentucky, Virginia or Tennessee law upon the opinion of the Deputy General Counsel of the Company or such other counsel referred to in Section 7(f).

(h) You shall have received from Davis Polk & Wardwell LLP, counsel for the Underwriters, such opinion or opinions in form and substance satisfactory to you, dated the Closing Date, with respect to matters as you may require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters. In rendering such opinion or opinions, Davis Polk & Wardwell LLP may rely, as to matters governed by Kentucky, Virginia or Tennessee law, upon the opinion of the Deputy General Counsel of the Company referred to above or the opinion of any special counsel referred to above; and

(i) You shall have received from the Company a copy of the rating letters from Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, Moody's Investors Service, Inc. and Fitch Ratings assigning ratings on the Bonds or other evidence reasonably satisfactory to the Representatives of such ratings.

The Company will furnish you as promptly as practicable after the Closing Date with such conformed copies of such opinions, certificates, letters and documents as you may reasonably request.

In case any such condition shall not have been satisfied, this Agreement may be terminated by you upon notice in writing or by telegram to the Company without

liability or obligation on the part of the Company or any Underwriter, except as provided in Sections 6(e), 6(i), 9, 11 and 14 hereof.

8. Conditions of Company's Obligations.

The obligations of the Company to sell and deliver the Bonds on the Closing Date are subject to the following conditions:

(a) At the Closing Date, no stop order suspending the effectiveness of the Registration Statement shall be in effect or proceeding therefor shall have been instituted or, to the knowledge of the Company, shall be contemplated.

(b) At or before the Closing Date, the Kentucky Public Service Commission, the State Corporation Commission of the Commonwealth of Virginia, and the Tennessee Regulatory Authority and any other regulatory authority whose consent or approval shall be required for the issue and sale of the Bonds by the Company shall have taken all requisite action, or all such requisite action shall be deemed in fact and law to have been taken, to authorize such issue and sale on the terms set forth in the Prospectus.

If any such conditions shall not have been satisfied, then the Company shall be entitled, by notice in writing or by telegram to you, to terminate this Agreement without any liability or obligation on the part of the Company or any Underwriter, except as provided in Sections 6(e), 6(i), 9, 11 and 14 hereof.

9. Indemnification and Contribution.

(a) The Company agrees that it will indemnify and hold harmless each Underwriter and the officers, directors, partners, members, employees, agents and affiliates of each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act (each "an indemnified party"), against any loss, expense, claim, damage or liability to which, jointly or severally, such Underwriter or such controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, expense, claim, damage or liability (or actions in respect thereof) arises out of or is based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, any Statutory Prospectus, any Issuer Free Writing Prospectus or the Prospectus, or any amendment or supplement to any thereof, or arises out of or is based upon the omission or alleged omission to state therein any material fact required to be stated therein or necessary to make the statements therein not misleading and, except as hereinafter in this Section 9 provided, the Company agrees to reimburse each indemnified party for any reasonable legal or other expenses as incurred by such indemnified party in connection with investigating or defending any such loss, expense, claim, damage or liability; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, expense, claim, damage or liability arises out of or is

based on an untrue statement or alleged untrue statement or omission or alleged omission made in any such document in reliance upon, and in conformity with, written information furnished to the Company as set forth in Schedule B hereto by or through you on behalf of any Underwriter expressly for use in any such document or arises out of, or is based on, statements or omissions from the part of the Registration Statement which shall constitute the Statement of Eligibility under the Trust Indenture Act of the Trustee under the Indenture.

(b) Each Underwriter, severally and not jointly, agrees that it will indemnify and hold harmless the Company and its officers and directors, and each of them, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act, against any loss, expense, claim, damage or liability to which it or they may become subject, under the Securities Act or otherwise, insofar as such loss, expense, claim, damage or liability (or actions in respect thereof) arises out of or is based on any untrue statement or alleged untrue statement of any material fact contained in the Statutory Prospectus, any Issuer Free Writing Prospectus or the Prospectus, or any amendment or supplement to any thereof, or arises out of or is based upon the omission or alleged omission to state therein any material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, and only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any such documents in reliance upon, and in conformity with, written information furnished to the Company as set forth in Schedule B hereto by or through you on behalf of such Underwriter expressly for use in any such document; and, except as hereinafter in this Section 9 provided, each Underwriter, severally and not jointly, agrees to reimburse the Company and its officers and directors, and each of them, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act, for any reasonable legal or other expenses incurred by it or them in connection with investigating or defending any such loss, expense, claim, damage or liability.

(c) Upon receipt of notice of the commencement of any action against an indemnified party, the indemnified party shall, with reasonable promptness, if a claim in respect thereof is to be made against an indemnifying party under its agreement contained in this Section 9, notify such indemnifying party in writing of the commencement thereof; but the omission so to notify an indemnifying party shall not relieve it from any liability which it may have to the indemnified party otherwise than under subsection (a) or (b) of this Section 9. In the case of any such notice to an indemnifying party, the indemnifying party shall be entitled to participate at its own expense in the defense, or if it so elects, to assume the defense, of any such action, but, if it elects to assume the defense, such defense shall be conducted by counsel chosen by it and satisfactory to the indemnified party and to any other indemnifying party that is a defendant in the suit. In the event that any indemnifying party elects to assume the defense of any such action and retain such counsel, the indemnified party shall bear the fees and expenses of

any additional counsel retained by it unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and the representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them; provided, however, that in no event shall the indemnifying party be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from its own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall be liable in the event of any settlement of any such action effected without its consent. Each indemnified party agrees promptly to notify each indemnifying party of the commencement of any litigation or proceedings against it in connection with the issue and sale of the Bonds.

(d) If any Underwriter or person entitled to indemnification by the terms of subsection (a) of this Section 9 shall have given notice to the Company of a claim in respect thereof pursuant to subsection (c) of this Section 9, and if such claim for indemnification is thereafter held by a court to be unavailable for any reason other than by reason of the terms of this Section 9 or if such claim is unavailable under controlling precedent, such Underwriter or person shall be entitled to contribution from the Company for liabilities and expenses, except to the extent that contribution is not permitted under Section 11(f) of the Securities Act. In determining the amount of contribution to which such Underwriter or person is entitled, there shall be considered the relative benefits received by such Underwriter or person and the Company from the offering of the Bonds that were the subject of the claim for indemnification (taking into account the portion of the proceeds of the offering realized by each), the Underwriter or person's relative knowledge and access to information concerning the matter with respect to which the claim was asserted, the opportunity to correct and prevent any statement or omission, and any other equitable considerations appropriate under the circumstances. The Company and the Underwriters agree that it would not be equitable if the amount of such contribution were determined by pro rata or per capita allocation (even if the Underwriters were treated as one entity for such purpose).

(e) No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this



Section 9 (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party and all liability arising out of such litigation, investigation, proceeding or claim, and (ii) does not include a statement as to or an admission of fault, culpability or the failure to act by or on behalf of any indemnified party.

(f) The indemnity and contribution provided for in this Section 9 and the representations and warranties of the Company and the several Underwriters set forth in this Agreement shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or any person controlling any Underwriter or the Company or their respective directors or officers, (ii) the acceptance of any Bonds and payment therefor under this Agreement, and (iii) any termination of this Agreement.

10. Default of Underwriters.

If any Underwriter or Underwriters default in their obligations to purchase Bonds hereunder, the non-defaulting Underwriters may make arrangements satisfactory to the Company for the purchase of such Bonds by other persons, including any of the non-defaulting Underwriters, but if no such arrangements are made by the Closing Date, the other Underwriters shall be obligated, severally in the proportion which their respective commitments hereunder bear to the total commitment of the non-defaulting Underwriters, to purchase the Bonds which such defaulting Underwriter or Underwriters agreed but failed to purchase. In the event that any Underwriter or Underwriters default in their obligations to purchase Bonds hereunder, the Company may by prompt written notice to non-defaulting Underwriters postpone the Closing Date for a period of not more than seven full Business Days in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus or in any other documents, and the Company will promptly file any amendments to the Registration Statement or supplements to the Prospectus which may thereby be made necessary. As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve an Underwriter from liability for its default.

11. Survival of Certain Representations and Obligations.

The respective indemnities, agreements, representations and warranties of the Company and of or on behalf of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter or the Company or any of its officers or directors or any controlling person, and will survive delivery of and payment for the Bonds. If for any reason the purchase of the Bonds by the Underwriters is not consummated, the Company shall remain responsible for the expenses to be paid or reimbursed by it pursuant to Section 6, and the

respective obligations of the Company and the Underwriters pursuant to Section 9 hereof shall remain in effect.

12. Notices.

The Company shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of each of the Underwriters if the same shall have been made or given by you jointly or by Goldman, Sachs & Co.. All statements, requests, notices, consents and agreements hereunder shall be in writing, or by telegraph subsequently confirmed in writing, and, if to the Company, shall be sufficient in all respects if delivered or mailed to the Company at One Quality Street, Lexington, Kentucky 40507, Attention: Treasurer, and, if to you, shall be sufficient in all respects if delivered or mailed to you at the address set forth on the first page hereof (a copy of which shall be sent to BNP Paribas Securities Corp., 787 Seventh Avenue, New York, NY 10019, Attention: Syndicate Desk, Citigroup Global Markets Inc., 388 Greenwich Street, New York, NY 10013, Attention: General Counsel, Goldman, Sachs & Co., 200 West Street, New York, NY 10282, Attention: Registration Department, and Mitsubishi UFJ Securities (USA), Inc., 1633 Broadway, 29th Floor, New York, NY 10019, Attention: Capital Markets Group); provided, however, that any notice to an Underwriter pursuant to Section 9 hereof will also be delivered or mailed to such Underwriter at the address, if any, of such Underwriter furnished to the Company in writing for the purpose of communications hereunder.

13. Parties in Interest.

This Agreement shall inure solely to the benefit of the Company and the Underwriters and, to the extent provided in Section 9 hereof, to any person who controls any Underwriter, to the officers and directors of the Company, and to any person who controls the Company, and their respective successors. No other person, partnership, association or corporation shall acquire or have any right under or by virtue of this Agreement. The term "successor" shall not include any assignee of an Underwriter (other than one who shall acquire all or substantially all of such Underwriter's business and properties), nor shall it include any purchaser of Bonds from any Underwriter merely because of such purchase.

14. No Advisory or Fiduciary Relationship.

The Company acknowledges and agrees that (a) the purchase and sale of the Bonds pursuant to this Agreement, including the determination of the public offering price of the Bonds and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other hand, (b) in connection with the offering contemplated hereby and the process leading to such transaction, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company, or its stockholders, creditors, employees or any other party, (c) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company with respect to the

offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company on other matters) and no Underwriter has any obligation to the Company with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement, (d) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, (e) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate and (f) the Company waives, to the fullest extent permitted by law, any claims it may have against the Underwriters for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Underwriters shall have no liability (whether direct or indirect) to the Company in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including its respective stockholders, creditors or employees.

15. Representation of Underwriters .

Any action under this Agreement taken by the Representatives will be binding upon all the Underwriters.

16. Counterparts .

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

17. Effectiveness .

This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

18. Waiver of Jury Trial .

The Company and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

19. Headings .

The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

20. Applicable Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Please confirm that the foregoing correctly sets forth the agreement between us by signing in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement between the Company and the several Underwriters in accordance with its terms.

Yours very truly,

KENTUCKY UTILITIES COMPANY

By: /s/ Daniel K. Arbough

Name: Daniel K. Arbough

Title: Treasurer

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The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

**BNP PARIBAS SECURITIES CORP.**

By: /s/ Jim Turner

Name: Jim Turner

Title: Managing Director, Head of Debt Capital Markets

**CITIGROUP GLOBAL MARKETS INC.**

By: /s/ Brian D. Bednarski

Name: Brian D. Bednarski

Title: Managing Director

**GOLDMAN, SACHS & CO.**

By: /s/ Ryan Gilliam

Name: Ryan Gilliam

Title: Vice President

**MITSUBISHI UFJ SECURITIES (USA), INC.**

By: /s/ Brian Cogliandro

Name: Brian Cogliandro

Title: Managing Director

Acting severally on behalf of  
themselves and as Representatives of  
the several Underwriters named in  
Section 3 hereof.

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**SCHEDULE A**

**Issuer General Use Free Writing Prospectus**

1. **Final Terms and Conditions, dated November 6, 2013, for \$250,000,000 aggregate principal amount of 4.65% First Mortgage Bonds due 2043 filed with the Commission by the Company pursuant to Rule 433 under the Securities Act, a form of which is included herein as Annex I.**
-

**SCHEDULE B**

**Information Represented and Warranted by the Underwriters  
Pursuant to Section 2 of the Underwriting Agreement**

1. The third paragraph under the caption "Underwriting" in the Prospectus related to the initial public offering price and selling concessions;
  2. The second and third sentences of the fourth paragraph under the caption "Underwriting" in the Prospectus related to market making;
  3. The fifth, sixth and seventh paragraphs under the caption "Underwriting" in the Prospectus related to short sales, stabilizing transactions and short covering transactions; and
  4. The twelfth paragraph under the caption "Underwriting" in the Prospectus related to activities of the Underwriters.
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Form of Final Term Sheet

KENTUCKY UTILITIES COMPANY  
\$250,000,000  
FIRST MORTGAGE BONDS, 4.65% SERIES DUE 2043

<b>Issuer:</b>	Kentucky Utilities Company
<b>Title:</b>	4.65 % First Mortgage Bonds due 2043
<b>Issuance Format:</b>	SEC Registered
<b>Principal Amount:</b>	\$250,000,000
<b>Trade Date:</b>	November 6 , 2013
<b>Settlement Date:</b>	November 14 , 2013 (T+5)
<b>Maturity Date:</b>	November 15, 2043
<b>Interest Payment Dates:</b>	May 15 and November 15, commencing May 15, 2014
<b>Annual Interest Rate:</b>	4.650 %
<b>Price to Public:</b>	99.280%
<b>Benchmark Treasury:</b>	2.875 % due May 15, 2043
<b>Benchmark Treasury Yield:</b>	3.795 %
<b>Spread to Benchmark Treasury:</b>	90 basis points
<b>Yield to Maturity:</b>	4.695 %
<b>Optional Redemption:</b>	Prior to May 15, 2043, the bonds will be redeemable, in whole at any time or in part from time to time, at a redemption price equal to the greater of (i) 100% of the principal amount of the bonds being redeemed and (ii) the sum of the present values of the remaining scheduled payments of principal and interest discounted on a semi-annual basis at the Adjusted Treasury Rate, plus 15 basis points; plus, in either case, accrued and unpaid interest to the Redemption Date. On or after May 15, 2043, the bonds will be redeemable at a redemption price equal to 100% of the principal amount of the bonds being redeemed, plus accrued and unpaid interest to the Redemption Date.
<b>CUSIP / ISIN:</b>	491674 BJ5 / US491674BJ53
<b>Joint Book-Running Managers:</b>	BNP Paribas Securities Corp. Citigroup Global Markets Inc. Goldman, Sachs & Co. Mitsubishi UFJ Securities (USA), Inc.

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Co-Managers:

BNY Mellon Capital Markets, LLC  
CIBC World Markets Corp.  
Mizuho Securities USA Inc.  
SMBC Nikko Securities America, Inc.

**Under Rule 15c6-1 under the Exchange Act, trades in the secondary market are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Bonds prior to the settlement date will be required, by virtue of the fact that the Bonds initially will settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Bonds who wish to trade the Bonds prior to the settlement date should consult their advisors.**

**The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling BNP Paribas Securities Corp. at (800) 854-5674; Citigroup Global Markets Inc. at (800) 831-9146; Goldman, Sachs & Co. at (866) 471-2526; and Mitsubishi UFJ Securities (USA), Inc. at (877) 649-6848.**

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**LOUISVILLE GAS AND ELECTRIC COMPANY**

**TO**

**THE BANK OF NEW YORK MELLON,**

**Trustee**

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**Supplemental Indenture No. 3  
dated as of November 1, 2013**

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**Supplemental to the Indenture  
dated as of October 1, 2010**

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**Establishing**

**First Mortgage Bonds, 4.65% Series due 2043**

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### SUPPLEMENTAL INDENTURE NO. 3

SUPPLEMENTAL INDENTURE No. 3, dated as of the 1st day of November, 2013, made and entered into by and between LOUISVILLE GAS AND ELECTRIC COMPANY, a corporation duly organized and existing under the laws of the Commonwealth of Kentucky, having its principal corporate offices at 220 West Main Street, Louisville, Kentucky 40202 (hereinafter sometimes called the "Company"), and THE BANK OF NEW YORK MELLON, a New York banking corporation, having its corporate trust office at 101 Barclay Street, 7th Floor, New York, New York 10286 and having its principal place of business at One Wall Street, New York, New York 10286 (hereinafter sometimes called the "Trustee"), as Trustee under the Indenture, dated as of October 1, 2010 (hereinafter called the "Original Indenture"), between the Company and said Trustee, as heretofore supplemented, this Supplemental Indenture No. 3 being supplemental thereto. The Original Indenture, as heretofore supplemented, and this Supplemental Indenture No. 3 are hereinafter sometimes, collectively, called the "Indenture."

#### Recitals of the Company

The Original Indenture was authorized, executed and delivered by the Company to provide for the issuance from time to time of its Securities (such term and all other capitalized terms used herein without definition having the meanings assigned to them in the Original Indenture), to be issued in one or more series as contemplated therein, and to provide security for the payment of the principal of and premium, if any, and interest, if any, on such Securities.

The Company has heretofore executed and delivered supplemental indentures for the purpose of creating series of Securities as set forth in Exhibit A hereto.

The Original Indenture and Supplemental Indentures No. 1 and No. 2, and financing statements in respect thereof, have been duly recorded and filed in the various official records in the Commonwealth of Kentucky as set forth in Exhibit B hereto.

Pursuant to Article Three of the Original Indenture, the Company wishes to establish a series of Securities, such series of Securities to be hereinafter sometimes called "Securities of Series No. 4", and, pursuant to Section 1401 of the Original Indenture, the Company wishes to correct an error in each of Section 805 and Section 807 of the Original Indenture.

As contemplated in Section 301 of the Original Indenture, the Company further wishes to establish the designation and certain terms of the Securities of Series No. 4. The Company has duly authorized the execution and delivery of this Supplemental Indenture No. 3 to establish the designation and certain terms of such series of Securities and has duly authorized the issuance of such Securities; and all acts necessary to make this Supplemental Indenture No. 3 a valid agreement of the Company, and to make the Securities of Series No. 4 valid obligations of the Company, have been performed.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE NO. 3 WITNESSETH, that, for and in consideration of the premises and of the purchase of the Securities by the Holders thereof and in order to secure the payment of the principal of and premium, if any, and interest, if any, on all Securities from time to time Outstanding and the performance of the covenants therein and in the Indenture contained, the Company hereby grants, bargains, sells, conveys, assigns, transfers, mortgages, pledges, sets over and confirms to the Trustee, and grants to the Trustee a security interest in and lien on, the real property specifically referred to in Exhibit C attached hereto and incorporated herein by reference and all right, title and interest of the Company in and to all property personal and mixed located thereon (other than Excepted Property), as and to the extent, and subject to the terms and conditions, set forth in the Original Indenture; and it is further mutually covenanted and agreed as follows:

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## ARTICLE ONE

### SECURITIES OF SERIES NO. 4

#### SECTION 101. Creation of Series No. 4 .

There is hereby created a series of Securities designated "First Mortgage Bonds, 4.65% Series due 2043", and the Securities of such series shall:

(a) be issued initially in the aggregate principal amount of \$250,000,000 and shall be limited to such aggregate principal amount (except as contemplated in Section 301(b) of the Original Indenture); provided, however, that, as contemplated in the last paragraph of Section 301 of the Original Indenture, additional Securities of such series may be subsequently issued from time to time, without any consent of Holders of the Securities of such series, if and to the extent that, prior to each such subsequent issuance, the aggregate principal amount of the additional Securities then to be issued shall have been set forth in a Supplemental Indenture, and, thereupon, the Securities of such series shall be limited to such aggregate principal amount as so increased (except as aforesaid and subject to further such increases);

(b) be dated November 14, 2013;

(c) have a Stated Maturity of November 15, 2043, subject to prior redemption or purchase by the Company;

(d) have such additional terms as are established in an Officer's Certificate as contemplated in Section 301 of the Original Indenture; and

(e) be in substantially the form or forms established therefor in an Officer's Certificate, as contemplated by Section 201 of the Original Indenture.

## ARTICLE TWO

### COVENANT

#### SECTION 201. Satisfaction and Discharge.

The Company hereby agrees that, if the Company shall make any deposit of money and/or Eligible Obligations with respect to any Securities of Series No. 4, or any portion of the principal amount thereof, as contemplated by Section 901 of the Indenture, the Company shall not deliver an Officer's Certificate described in clause (z) in the first paragraph of said Section 901 unless the Company shall also deliver to the Trustee, together with such Officer's Certificate, either:

(a) an instrument wherein the Company, notwithstanding the satisfaction and discharge of its indebtedness in respect of such Securities, or portions of the principal amount thereof, shall retain the obligation (which shall be absolute and unconditional) to irrevocably deposit with the Trustee or Paying Agent such additional sums of money, if any, or additional Eligible Obligations (meeting the requirements of Section 901), if any, or any combination thereof, at such time or times, as shall be necessary, together with the money and/or Eligible Obligations theretofore so deposited, to pay when due the principal of and premium, if any, and interest due and to become due on such Securities or portions thereof, all in accordance with and subject to the provisions of said Section 901; provided, however, that such instrument may state that the obligation of the Company to make additional deposits as aforesaid shall be subject to the

delivery to the Company by the Trustee of a notice asserting the deficiency accompanied by an opinion of an independent public accountant of nationally recognized standing, selected by the Trustee, showing the calculation thereof (which opinion shall be obtained at the expense of the Company); or

(b) an Opinion of Counsel to the effect that the beneficial owners of such Securities, or portions of the principal amount thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of the satisfaction and discharge of the Company's indebtedness in respect thereof and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such satisfaction and discharge had not been effected.

### **ARTICLE THREE**

#### **CORRECTIONS**

##### **SECTION 301. Correction of Section 805 .**

In accordance with Section 1401(l) of the Original Indenture, Section 805 of the Original Indenture is hereby corrected by inserting the phrase "sixty-six and two-thirds percentum (66-2/3%) of" immediately following the words "equal to" in the penultimate sentence thereof.

##### **SECTION 302. Correction of Section 807.**

In accordance with Section 1401(l) of the Original Indenture, Section 807 of the Original Indenture is hereby corrected by inserting the phrase "sixty-six and two-thirds percentum (66-2/3%) of" immediately following the words "equal to" in clause (d) in the first sentence thereof.

### **ARTICLE FOUR**

#### **MISCELLANEOUS PROVISIONS**

##### **SECTION 401. Single Instrument .**

This Supplemental Indenture No. 3 is an amendment and supplement to the Original Indenture as heretofore amended and supplemented. As amended and supplemented by this Supplemental Indenture No. 3, the Original Indenture, as heretofore supplemented, is in all respects ratified, approved and confirmed, and the Original Indenture, as heretofore supplemented, and this Supplemental Indenture No. 3 shall together constitute the Indenture.

##### **SECTION 402. Effect of Headings .**

The Article and Section headings in this Supplemental Indenture No. 3 are for convenience only and shall not affect the construction hereof.

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This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture No. 3 to be duly executed as of the day and year first written above.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: /s/ Daniel K. Arbough  
Name: Daniel K. Arbough  
Title: Treasurer

ATTEST:

/s/ Dorothy E. O'Brien  
Name: Dorothy E. O'Brien  
Title: Vice President and Deputy General Counsel,  
Legal and Environmental Affairs

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THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Francine Kincaid  
Name: Francine Kincaid  
Title: Vice President

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COMMONWEALTH OF KENTUCKY            )  
  ) ss.:  
COUNTY OF JEFFERSON                )

On this 5th day of November, 2013, before me, a notary public, the undersigned, personally appeared Daniel K. Arbough, who acknowledged himself to be the Treasurer of LOUISVILLE GAS AND ELECTRIC COMPANY, a corporation of the Commonwealth of Kentucky and that he, as such Treasurer, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Treasurer.

In witness whereof, I hereunto set my hand and official seal.

/s/ Betty L. Brinly  
Betty L. Brinly  
Notary Public, State at Large, KY  
My Commission expires 6/21/2014

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STATE OF NEW YORK            )  
  ) ss.:  
COUNTY OF NEW YORK        )

On this 5th day of November, 2013, before me, a notary public, the undersigned, personally appeared Francine Kincaid, who acknowledged herself to be a Vice President of THE BANK OF NEW YORK MELLON, a corporation and that she, as Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Vice President.

In witness whereof, I hereunto set my hand and official seal.

By: /s/ Danny Lee  
Danny Lee  
Notary Public, State of New York  
Notary #: 01LE6161129  
Qualified in in New York County  
Commission expires 2/20/2015

The Bank of New York Mellon hereby certifies that its precise name and address as Trustee hereunder are:

The Bank of New York Mellon  
Global Structured Finance  
101 Barclay Street, 7th Floor  
New York, New York 10286  
Attn: Global Americas

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Francine Kincaid  
Name: Francine Kincaid  
Title: Vice President

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**CERTIFICATE OF PREPARER**

The foregoing instrument was prepared by:

James J. Dimas, Senior Corporate Attorney  
Louisville Gas and Electric Company  
220 West Main Street  
Louisville, Kentucky 40202

/s/ James J. Dimas  
James J. Dimas

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## LOUISVILLE GAS AND ELECTRIC COMPANY

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**Bonds Issued and Outstanding  
under the Indenture**


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<b>Supplemental Indenture No.</b>	<b>Dated as of</b>	<b>Series No.</b>	<b>Series Designation</b>	<b>Date of Securities</b>	<b>Principal Amount Issued</b>	<b>Principal Amount Outstanding(1)</b>
1	October 15, 2010	1	Collateral Series 2010	October 20, 2010	\$ 574,304,000	\$ 574,304,000
2	November 1, 2010	2	1.625% Series due 2015	November 16, 2010	\$ 250,000,000	\$ 250,000,000
		3	5.125% Series due 2040	November 16, 2010	\$ 285,000,000	\$ 285,000,000

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(1) As of November 1, 2013.

## LOUISVILLE GAS AND ELECTRIC COMPANY

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Filing and Recording  
of  
Indenture, dated as of October 1, 2010

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<u>COUNTY</u>	<u>DEED BOOK</u>	<u>PAGE NO.</u>	<u>DATE RECORDED</u>
Breckinridge	369	1	10/11/2010
Bullitt	1342	466 - 1012	10/11/2010
Clark	702	1 - 547	10/11/2010
Green	262	36	10/12/2010
Hardin	1957	1 - 547	10/11/2010
Hart	311	1 - 547	10/12/2010
Henry	297	1 - 547	10/11/2010
Jefferson	12165	0237 - 0783	10/8/2010
Larue	295	1	10/11/2010
Meade	658	032 - 578	10/11/2010
Metcalfe	147	1	10/11/2010
Muhlenberg	602	1 - 547	10/12/2010
Nelson	911	1 - 547	10/11/2010
Oldham	1905	1 - 547	10/13/2010
Shelby	837	1 - 547	10/11/2010
Trimble	181	1 - 547	10/11/2010

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Filing and Recording  
of  
Supplemental Indenture No. 1, dated as of October 15, 2010,  
to  
Indenture, dated as of October 1, 2010**

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<b>COUNTY</b>	<b>DEED BOOK</b>	<b>PAGE NO.</b>	<b>DATE RECORDED</b>
Breckinridge	369	639 - 646	10/18/2010
Breckinridge — Affidavit of Amendment	370	43 - 53	10/26/2010
Bullitt	768	265 - 273	10/19/2010
Clark	703	122 - 130	10/19/2010
Green	262	731	10/19/2010
Hardin	1958	704 - 712	10/19/2010
Hart	310	573 - 581	10/19/2010
Henry	297	746 - 754	10/19/2010
Jefferson	12176	0011 - 0019	10/18/2010
Larue	295	644	10/19/2010
Meade	659	265 - 273	10/19/2010
Metcalf	147	548	10/19/2010
Muhlenberg	601	751 - 759	10/19/2010
Nelson	912	562 - 570	10/19/2010
Oldham	1907	181 - 188	10/18/2010
Oldham — Affidavit of Amendment	1908	124 - 134	10/21/2010
Shelby	838	31 - 39	10/19/2010
Trimble	181	637 - 645	10/19/2010

**LOUISVILLE GAS AND ELECTRIC COMPANY**

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**Filing and Recording  
of  
Supplemental Indenture No. 2, dated as of November 1, 2010,  
to  
Indenture, dated as of October 1, 2010**

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<u>COUNTY</u>	<u>DEED BOOK</u>	<u>PAGE NO.</u>	<u>DATE RECORDED</u>
Breckinridge	369	639 - 646	10/18/2010
Breckinridge — Affidavit of Amendment	370	43 - 53	10/26/2010
Bullitt	768	265 - 273	10/19/2010
Clark	703	122 - 130	10/19/2010
Green	262	731	10/19/2010
Hardin	1958	704 - 712	10/19/2010
Hart	310	573 - 581	10/19/2010
Henry	297	746 - 754	10/19/2010
Jefferson	12176	0011 - 0019	10/18/2010
Larue	295	644	10/19/2010
Meade	659	265 - 273	10/19/2010
Metcalfe	147	548	10/19/2010
Muhlenberg	601	751 - 759	10/19/2010
Nelson	912	562 - 570	10/19/2010
Oldham	1907	181 - 188	10/18/2010
Oldham — Affidavit of Amendment	1908	124 - 134	10/21/2010
Shelby	838	31 - 39	10/19/2010
Trimble	181	637 - 645	10/19/2010

LOUISVILLE GAS AND ELECTRIC COMPANY

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UCC Filings — Kentucky Secretary of State  
for  
Indenture dated as of October 1, 2010,  
as supplemented

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<u>File No.</u>	<u>Date</u>
2010-2481496-17.01	October 12, 2010
2010-2481496-17.02	October 19, 2010
2010-2481496-17.04	November 15, 2010
2010-2481496-17.05	November 15, 2010

B(4)-1

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## LOUISVILLE GAS AND ELECTRIC COMPANY

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 Real Property
 

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## Schedule of real property owned in fee located in the Commonwealth of Kentucky

DISTRIBUTION DRIVE :

Beginning at an iron pipe in the north right-of-way line of Distribution Drive and the west right-of-way line of Greenbelt Highway, said point being south 49 degrees 06 minutes 18 seconds west 41.21 feet from an iron pipe in the westerly right-of-way line of Greenbelt Highway; thence north 87 degrees 31 minutes 07 seconds west 1,107.83 feet along the north right-of-way line of Distribution Drive to an iron pipe at the southeasterly corner of Tract No. 47, as recorded in Plat and Subdivision Book 34, Page 50, in the office of the Clerk of Jefferson County, Kentucky; thence, continuing along said north right-of-way line of Distribution Drive, north 87 degrees 31 minutes 07 seconds west 270 feet to an iron pipe at the true point of beginning; thence along said north right-of-way line, north 87 degrees 31 minutes 07 seconds west 630.00 feet to an iron pipe at the southwesterly corner of Tract No. 46, as recorded in Plat and Subdivision Book 34 Page 50, in the Office aforesaid; thence north 02 degrees 28 minutes 53 seconds east 1,191.45 feet to an iron pipe at the northwesterly corner of Tract No. 46, as recorded in said Plat and Subdivision Book; thence south 87 degrees 31 minutes 07 seconds east 630.00 feet to an iron pipe; thence south 02 degrees 28 minutes 53 seconds west 1,191.45 feet to the true point of beginning and containing 17.231 acres more or less.

Also known as Tract A as shown on minor subdivision plat attached to and made a part of Deed Book 5728, Page 808, Docket #328-87, in the Office of the Clerk of Jefferson County, Kentucky.

The above legal description was revised pursuant to a physical survey conducted by David L. King II, AGE Engineering Services, Inc., Ky. R.L.S. #3118, dated the 31<sup>ST</sup> day of August, 2012, as follows:

BEGINNING at a ¼" Iron Pipe found on the north edge of right-of-way of Distribution Drive, said Distribution Drive having a 100' wide right-of-way per Plat Book 34, Pg. 50, said pipe being approximately 1378 feet west of the intersection of the western edge of right-of-way of the Greenbelt Highway and Distribution Drive, said pipe having the Kentucky State Plane North Zone (NAD83) coordinates of N=241240.60 E=1168457.43, said pipe being 61.26 feet north of the as-built centerline of Distribution Drive, said pipe being the southwest corner of Quartz Products Corp (D.B. 5736, Pg. 982) and being the POINT OF BEGINNING for this description; Thence leaving the line of Quartz Products Corp and with the northern edge of right-of-way of Distribution Drive, N87°30'20"W — 629.94 feet to a ¼" Iron Pipe Found, said pipe being 60.15 feet north of the as-built centerline of Distribution Drive, and said pin being the Southeast Corner of the County of Jefferson (D.B. 5521, Pg. 478); Thence leaving the northern edge of right-of-way of Distribution Drive and with the line of the County of Jefferson, N02°29'38"E — 1191.19 feet to a ¼" rebar with cap stamped LS 1828 found, said pin being on the southern line of D&M Trust (D.B. 8843, Pg. 819 — Tract 2) and being the Northeast corner of the County of Jefferson; Thence leaving the line of the County of Jefferson with the southern line of first D&M Trust and second Hollingsworth Capital Partners — Intermodal, LLC (D.B. 9238, PG. 704), S87°32'34"E — 629.76 feet to ½" rebar found @ the base of Chain Link Fence Corner Post, said pin being on the southern line of Hollingsworth Capital Partners — Intermodal, LLC (D.B. 9238, PG. 704), and being the Northwest corner of Ann Taylor Distribution Services, Inc. (D.B. 8756, Pg. 39); Thence leaving the southern line Hollingsworth Capital Partners — Intermodal, LLC (D.B. 9238, PG. 704), and with the western line of first Ann Taylor Distribution Services, Inc. and second the line of Quartz Products Corp (D.B. 5736, Pg. 982), S02°29'06"W — passing a ¼" rebar with Cap Stamped LS 1828 at 465.53 feet, said rebar being the common corner of Ann Taylor Distribution Services, Inc. and Quartz Products Corp, and continuing at the same bearing for an additional 726.07 feet for an overall total distance of 1191.60 feet to the Point of Beginning and containing 17.227 acres by survey.

BEING the same Property conveyed to Louisville Gas and Electric Company, a Kentucky corporation, by Deed dated November 15, 2012, of record in Deed Book 9977, Page 550, in the Office of the Clerk of Jefferson County, Kentucky.

HOSTS DEVELOPMENT :

BEING Lot 13, as shown on Minor Subdivision Plat approved by Louisville Metro Planning Commission, Docket No. 14965, on November 4, 2010, the original of which plat is attached to Deed of Record in Deed Book 9660, Page 236, in the Office aforesaid.

BEING the same property conveyed to Louisville Gas and Electric Company, a Kentucky corporation, by Deed dated December 20, 2010, of record in Deed Book 9660, Page 236, in the office of the Clerk of Jefferson County, Kentucky.

**TRIMBLE COUNTY**

MAHONEY PROPERTY — PARCEL 1 :

Located and being on the waters of Barebone Creek in Trimble County, Kentucky and bounded and described as follows.

Beginning at a point in the branch, a corner of the property hereby conveyed and line of Pete Simpson, thence in a northerly direction with the branch as it now runs a distance of 105 yards, thence a new line in a westerly direction with the land of Mahoney a distance of 35 yards to a point, corner this land and that of Mahoney, thence in a southerly direction with the fence as it now runs to a point, corner to land of Pete Simpson, thence in an easterly direction with the line of said Pete Simpson to the point of beginning, containing One acre more or less.

The above legal description was revised pursuant to a physical survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., Ky. R.L.S. #3118, dated the 31st day of August, 2012, as follows:

COMMENCING at an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments), said pin being on the southern edge of right-of-way Ogden Ridge Road and being 30 feet south of centerline of Ogden Ridge Road and being the northeast corner of Gary Callis (D.B. 72, Pg. 283), said pin having Kentucky State Plane — North Zone (NAD83) coordinates of N=400617.61 E=1311019.42, lying near the Community of Mount Pleasant, said pin being approximately 1.91 miles, as measured along Ogden Ridge Road from the intersection of centerline of Ogden Ridge Road and KY Hwy 625, lying in Trimble County, Kentucky; Thence leaving the corner of Callis and with the southern edge of right-of-way of Ogden Ridge Road, being 30' south of and parallel to the centerline of Ogden Ridge Road, N64°14'59"E - 34.53 feet to a point, N63°34'40"E - 96.34 feet to a point, N63°01'13"E - 97.37 feet to a point, N61°35'37"E - 94.92 feet to a point, N61°06'05"E - 92.13 feet to a point, and N64°57'32"E - 18.42 feet to an iron pin set, said pin being on the southern edge of right-of-way of Ogden Ridge Road and being 30' south of centerline, said pin being the Northwest Corner of Steve Boldery (D.B. 320, Pg. 91); Thence leaving the south edge of right-of-way of Ogden Ridge Road and generally with the fence and with the western boundary line of Boldery,

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S20°14'57"E - 422.98 feet to an iron pin set at a fence post; Thence generally with the fence and first with the line of Boldery, second the line of Donna Hale (D.B. 130, Pg. 560) and thirdly the line of Donald Hale (D.B. 126, Pg. 385), N67°51'10"E - 905.07 feet to an iron pin set, said pin being on western boundary line of Anna Catherine Leach (D.B. 37, Pg. 282 & D.B. 38, Pg. 489); Thence leaving the line of Donald Hale and generally with the fence and with the western boundary line of Leach, S20°43'38"E — 2614.93 feet to an iron pin set, said pin being the Southwest corner of Leach and being on the northern boundary line of Troy Barnes (D.B. 127, Pg. 298); Thence leaving the boundary line of Leach and generally with the fence and with northern boundary line of Barnes, S60°40'53"W - 1311.16 feet to an iron pin found (PLS# 3868), said pin being a corner of Troy Barnes and also being a corner to a Life Estate of James L. Atkinson (being an exception to the deed of Troy Barnes D.B. 127, Pg. 298) and also being a corner of Walter Staples (D.B. 50, Pg. 797); Thence leaving the line of Barnes and the Life Estate of James L. Atkinson and with the line of Staples, N18°49'24"W - 142.80 feet to an iron pin set a tree fence corner; Thence continuing with the line of Staples, S64°07'37"W - 171.50 feet to a point in the centerline of creek and being the Point of Beginning for this description; Thence leaving the line of Staples and with the line of Jarrod & Jill Mahoney et. al. (D.B. 42, Pg. 26, D.B. 85, Pg. 733 and D.B. 72, Pg. 224) following the creek, N01°30'36"E - 354.65 feet to a point in the centerline of the creek; Thence continuing with Mahoney, N87°16'35"W — passing an iron witness pin set at 4.67 feet and continuing 100.33 feet for a total distance of 105.00 feet to an iron pin set and S02°43'25"W - 415.91 feet to an iron pin set on the northern line of Walter Staples (D.B. 50, Pg. 797); Thence leaving the line of Jarrod & Jill Mahoney et. al. (D.B. 42, Pg. 26, D.B. 85, Pg. 733 and D.B. 72, Pg. 224) and with the line of Staples, N64°07'37"E — 115.41 feet to a point and N64°07'37"E — 12.74 feet to the Point of Beginning and containing 0.965 acres by survey.

It is fully understood and agreed that any party in accepting this Deed hereby agrees to put a fence around said lot and to keep the same in repair at all times, same to be a general purpose fence against all livestock, this provision shall be binding on the owner, his heirs and assigns forever.

BEING the same Property conveyed to Louisville Gas and Electric Company, a Kentucky corporation, by Deed dated December 18, 2012, of record in Deed Book 132, Page 402, in the Office of the Clerk of Trimble County, Kentucky.

**MAHONEY PROPERTY — PARCEL 2**

*TRACT #1* : Located in Trimble County, Kentucky, bounded and described as follows:

BEGINNING at a stone in Browning's line; thence with same N 22-3/4 W 63 poles and 8 links to a stone, corner to Mahoney; thence with same S 67-1/2 W 50 poles to a stone corner to same; thence N 22-01/2 W.... poles and 13 links to a stone corner to same and on the south side of Hopwood Road; S. 61 W 26 poles and 7 links to an Oak Tree on the top of the hill; thence S. 87 E 46 poles and 11 links to a stone corner to Andrew's line and Garriott's; thence N 58 E 15 poles and 7 links to the BEGINNING, containing THIRTY-FOUR ACRES < 109 poles, more or less.

*TRACT #2* : Located and being in Trimble County, Kentucky and bounded as follows:

BEGINNING at a stone in W.L. Garriott's line and A Browning's line S 23-3/4 E 94 poles and 21 links to a stone in Joe Garriott's line; thence with his line S 59 W 82 poles and 1 link to a

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stone at the foot of the hill; thence N 20 W 8 poles and 8 feet to a stone; thence S 62-1/4 W 32 poles and 20 links to a stone; thence N 18-1/4 W 32 poles; thence N 20 poles to a stone; thence 18 W 68 poles to a stone on a hillside close to an oak tree; thence 18 W 36 poles and 7 links to a stone, corner oak tree; thence E 46 poles and 11 links to a stone in old fence; thence N 48-1/2 E 14 poles and 17 links to the BEGINNING, containing 59 acres and 70-4 poles.

The above legal description was revised pursuant to a physical survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., Ky. R.L.S. #3118, dated the 31<sup>st</sup> day of August, 2012, as follows:

BEGINNING at an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments), said pin being on the southern edge of right-of-way Ogden Ridge Road and being 30 feet south of centerline of Ogden Ridge Road and being the northeast corner of Gary Callis (D.B. 72, Pg. 283), said pin having Kentucky State Plane — North Zone (NAD83) coordinates of N=400617.61 E=1311019.42, lying near the Community of Mount Pleasant, said pin being approximately 1.91 miles, as measured along Ogden Ridge Road from the intersection of centerline of Ogden Ridge Road and KY Hwy 625, lying in Trimble County, Kentucky and being the Point of Beginning for this description; Thence leaving the corner of Callis and with the southern edge of right-of-way of Ogden Ridge Road, being 30' south of and parallel to the centerline of Ogden Ridge Road, N64°14'59"E - 34.53 feet to a point, N63°34'40"E - 96.34 feet to a point, N63°01'13"E - 97.37 feet to a point, N61°35'37"E - 94.92 feet to a point, N61°06'05"E - 92.13 feet to a point, and N64°57'32"E - 18.42 feet to an iron pin set, said pin being on the southern edge of right-of-way of Ogden Ridge Road and being 30' south of centerline, said pin being the Northwest Corner of Steve Boldery (D.B. 320, Pg. 91); Thence leaving the south edge of right-of-way of Ogden Ridge Road and generally with the fence and with the western boundary line of Boldery, S20°14'57"E - 422.98 feet to an iron pin set at a fence post; Thence generally with the fence and first with the line of Boldery, second the line of Donna Hale (D.B. 130, Pg. 560) and thirdly the line of Donald Hale (D.B. 126, Pg. 385), N67°51'10"E - 905.07 feet to an iron pin set, said pin being on western boundary line of Anna Catherine Leach (D.B. 37, Pg. 282 & D.B. 38, Pg. 489); Thence leaving the line of Donald Hale and generally with the fence and with the western boundary line of Leach, S20°43'38"E — 2614.93 feet to an iron pin set, said pin being the Southwest corner of Leach and being on the northern boundary line of Troy Barnes (D.B. 127, Pg. 298); Thence leaving the boundary line of Leach and generally with the fence and with northern boundary line of Barnes, S60°40'53"W - 1311.16 feet to an iron pin found (PLS# 3868), said pin being a corner of Troy Barnes and also being a corner to a Life Estate of James L. Atkinson (being an exception to the deed of Troy Barnes D.B. 127, Pg. 298) and also being a corner of Walter Staples (D.B. 50, Pg. 797); Thence leaving the line of Barnes and the Life Estate of James L. Atkinson and with the line of Staples, N18°49'24"W - 142.80 feet to an iron pin set a tree fence corner; Thence continuing with the line of Staples, S64°07'37"W - 171.50 feet to a point in the centerline of creek, said point being a corner of Melvin Thomas Mahoney (D.B. 109, Pg. 288) and being on the northern boundary line of Staples; Thence leaving the line of Staples and with the line of Melvin Thomas Mahoney following the creek, N01°30'36"E - 354.65 feet to a point in the centerline of the creek; Thence continuing with Mahoney, N87°16'35"W — passing an iron witness pin set at 4.67 feet and continuing 100.33 feet for a total distance of 105.00 feet to an iron pin set and S02°43'25"W - 415.91 feet to an iron pin set on the northern line of Walter Staples (D.B. 50, Pg. 797); Thence leaving the line of Melvin Thomas Mahoney (D.B. 109, Pg. 288) and generally with existing

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fence and with the line of Walter Staples, S64°07'37"W - 205.46 feet to an iron pin set, said pin being on the northern line of Staples and being a corner of Charlie Simpson (D.B. 38, Pg. 175 — now or formerly); Thence leaving the line of Staples and generally with the fence and the line of Simpson, N13°14'22"W — 472.35 feet to an iron pin set a base of a 48" Forked Sugar Maple Tree, said pin being the corner of Simpson and Les Ball & Amy Ball (D.B. 123, Pg. 457); Thence leaving the line of Simpson and with the line of Ball, N04°38'29"W - 238.26 feet to an iron pin set at the base of a forked 30" Ash Tree with fence, N08°58'57"W - 124.95 feet to an iron pin set at the base of a 30" Oak Tree with fence, N04°20'04"W - 119.94 feet to an iron pin set at a 30" Maple Tree with fence, N29°35'33"W - 148.54 feet to an iron pin set at the base of 18" Maple Tree with fence, N10°51'03"W - 175.49 feet to an iron pin set at the base of 12" Chinkapin Oak Tree with fence, N16°38'01"W - 324.88 feet to an iron pin set at 36" Downed Tree, N10°55'44"W - 225.73 feet to an iron pin set at the base of a wood fence post, and N04°07'13"E - 585.08 feet to an iron pin set at a fence corner; Thence first continuing with the line of Les Ball and second the line of Gary Callis (D.B. 72, Pg. 283), N23°45'17"W - 732.87 feet to the Point of Beginning and containing 99.294 acres by survey.

BEING the same Property conveyed to Louisville Gas and Electric Company, a Kentucky corporation, by Deed dated December 18, 2012, of record in Deed Book 132, Page 407, in the Office of the Clerk of Trimble County, Kentucky.

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**NACKE PROPERTY :**

Being a certain tract of land located on the East side of CR-1205 (Ogden Ridge Road), approximately 0.7 miles south of the intersection of KY 625 (Bedford and Mt. Pleasant Road), lying in Trimble County, Kentucky, and being more particularly described as follows:

BEGINNING at a ½ inch rebar (found) with cap marked "C.T. SMITH 3757" in the center of Tingle Lane and in the right-of-way of Ogden Ridge Road; thence with the east right-of-way of Ogden Ridge Road with a curve to the left having a cord of North 04 degrees, 45 minutes, 59 seconds East, 236.73 feet and a radius of 613 feet to a ½ inch rebar (found) with a cap marked "C.T. SMITH 3757"; thence with said right-of-way North 06 degrees, 22 minutes 01 seconds West, 180.00 feet to a ½ inch rebar (set) corner with Larry & P.J. Nacke (D.B. 117, page 55); thence leaving the right-of-way of Ogden Ridge Road and forming new division lines the following three calls: North 83 degrees, 37 minutes, 59 seconds East, 290.00 feet to a ½ in rebar (set) South 10 degrees, 06 minutes, 05 seconds East, 396.23 feet to a ½ inch rebar (set), South 76 degrees 06 minutes, 15 seconds West 346.63 feet to a ½ inch rebar (found) with a cap marked "C.T. SMITH 3757" in the center line of Tingle Lane; thence with Tingle Lane, North 38 degrees, 26 minutes, 00 seconds West, 33.66 feet to the point of beginning Containing 3.004 Acres per survey by Christopher T. Smith on June 12 2008.

This survey is subject to all rights of way, easements, conveyances and restrictions that a title examination would reveal. No title report was provided to Surveyor.

All monuments referenced as ½ inch rebar (set) this survey are capped with a plastic cap stamped "C.T. SMITH 3757".

BEING the same Property conveyed to Louisville Gas and Electric Company, a Kentucky corporation, by Deed dated November 27, 2012, of record in Deed Book 132, Page 185, in the Office of the Clerk of Trimble County, Kentucky.

**BALL PROPERTY :**

A tract of land in Trimble County, Kentucky, on the Southeast side of the Mt. Pleasant Road, about 7 miles West of Bedford, bounded as follows:

BEGINNING at a small sugar tree marked as the Northwest corner of the 5 acre tract conveyed by Earl Mahoney and Margaret Mahoney to Charles Simpson by deed dated January 27, 1952, and recorded in Deed Book 38, Page 175, in the Trimble County Court Clerk's Office; thence to exclude said 5 acre tract as follows:

South 65 degrees West 1.98 chains to a locust; North 87 degrees West 2.70 chains to an ash, North 80 degrees West 2.49 chains to a hackberry South 58-1/2 West 1.07 chains to a hackberry, South 17 degrees West 1.66 chains to a hackberry South 24-1/4 West 1.21 chains to a lynn, South 68 degrees East 2.49 chains to a chinquapin; South 45-1/2 degrees East 3.12 chains to a chinquapin South 4-3/4 degrees East 1.25 chains to an elm, and South 3-1/2 degrees East 3.24 chains to a stake in fence line at the Southwest corner of said 5 acres tract in line of Richardson heirs; thence with Richardson as fenced, South 64 degrees West 16.72 chains to a stone; thence

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North 20 degrees West (Passing a stone 9.39 chains corner to Richardson and Davis) whole distance 47.62 chains to a stone in Eugene David line corner to Nolas Mahoney; thence with Nolas Mahoney and the Mt. Pleasant Road as fenced North 62 degrees East 28.63 chains to a large walnut in the South line of the Mt. Pleasant Road corner Edward Mahoney; thence with Edward Mahoney as fenced as follows:

South 24 degrees East 11.35 chains to a stone, South 4-1/2 degrees East 9.21 chains to a post, South 11-1/2 East 3.35 chains to an ash, South 17 degrees East 4.94 chains to an ash, South 12 degrees East 2.79 chains to a hackberry; South 32 degrees East 2.11 chains to a spigut, South 3-3/4 degrees East 1.88 chains to a red elm; South 14-1/2 degrees East 1.87 chains to a locust and South 3 degrees East 4.03 chains to the point of beginning, containing 112.44 acres, Subject to Shelby REA easement and road right of way and waterline easements to L. G. & E. and Trimble County Water District No. 1.

THERE IS EXCEPTED FROM the above described real estate the following:

Being a certain lot or parcel of land lying on the Southern side of Ogden Ridge Road and located in Trimble County, Kentucky, more particularly described as follows:

Beginning at an existing iron pin in the Southern right of way of Ogden Ridge Road and corner to Edward and Mary Mahoney (Deed Book 36, Page 70; Deed Book 36, Page 89), and at the Northeastern corner of Theodore and Wadenna Bachmann (Deed Book 59, Page 89), said pin witnessed by an existing iron pin bearing North 38 degrees 06 minutes 00 seconds East, 120.50 feet, in the Northern right of way of said road and corner to Louisville Gas and Electric Company (Deed Book 63, Page 615); and by the Azimuth marker for triangulation stations Wises Bearing South 50 degrees 44 minutes 00 seconds East, 7.30 feet; thence South 23 degrees 40 minutes 00 seconds East, 478.31 feet, in line with Mahoney to an iron pin corner to Mahoney; thence South 62 degrees 02 minutes 20 seconds West, 181.86 feet, in line with Bachmann to an existing fence corner post; thence North 20 degrees 54 minutes 43 seconds West, 489.29 feet, with an existing fence line, to an existing corner post at the Southern right of way of said road; thence North 65 degrees 10 minutes 15 seconds East, 157.87 feet, with the said right of way, to the POINT OF BEGINNING. Containing 1.88 Acres of land. Subject to any utility easements, passways or other easements that may be over or thru the premises.

There is excepted from the above described real estate a Non-Exclusive 20 foot easement of ingress and egress along the East and South sides of the above described real estate, for the benefit of the remainder of the farm, of which the 1.88 acres was originally a part of.

BEING the same Property conveyed to Louisville Gas and Electric Company, a Kentucky corporation, by Deed dated October 11, 2012, of record in Deed Book 131, Page 720 in the Office of the Clerk of Trimble County, Kentucky.

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**KENTUCKY UTILITIES COMPANY**  
**TO**  
**THE BANK OF NEW YORK MELLON,**  
**Trustee**

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**Supplemental Indenture No. 3**  
**dated as of November 1, 2013**

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**Supplemental to the Indenture**  
**dated as of October 1, 2010**

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**Establishing**  
**First Mortgage Bonds, 4.65% Series due 2043**

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### SUPPLEMENTAL INDENTURE NO. 3

SUPPLEMENTAL INDENTURE No. 3, dated as of the 1st day of November, 2013, made and entered into by and between KENTUCKY UTILITIES COMPANY, a corporation duly organized and existing under the laws of the Commonwealths of Kentucky and Virginia, having its principal corporate offices at One Quality Street, Lexington, Kentucky 40507 (hereinafter sometimes called the "Company"), and THE BANK OF NEW YORK MELLON, a New York banking corporation, having its corporate trust office at 101 Barclay Street, 7th Floor, New York, New York 10286 and having its principal place of business at One Wall Street, New York, New York 10286 (hereinafter sometimes called the "Trustee"), as Trustee under the Indenture, dated as of October 1, 2010 (hereinafter called the "Original Indenture"), between the Company and said Trustee, as heretofore supplemented, this Supplemental Indenture No. 3 being supplemental thereto. The Original Indenture, as heretofore supplemented, and this Supplemental Indenture No. 3 are hereinafter sometimes, collectively, called the "Indenture."

#### Recitals of the Company

The Original Indenture was authorized, executed and delivered by the Company to provide for the issuance from time to time of its Securities (such term and all other capitalized terms used herein without definition having the meanings assigned to them in the Original Indenture), to be issued in one or more series as contemplated therein, and to provide security for the payment of the principal of and premium, if any, and interest, if any, on such Securities.

The Company has heretofore executed and delivered supplemental indentures for the purpose of creating series of Securities as set forth in Exhibit A hereto.

The Original Indenture and Supplemental Indentures No. 1 and No. 2, and financing statements in respect thereof, have been duly recorded and filed in the various official records in the Commonwealth of Kentucky as set forth in Exhibit B hereto.

Pursuant to Article Three of the Original Indenture, the Company wishes to establish a series of Securities, such series of Securities to be hereinafter sometimes called "Securities of Series No. 5", and, pursuant to Section 1401 of the Original Indenture, the Company wishes to correct an error in each of Section 805 and Section 807 of the Original Indenture.

As contemplated in Section 301 of the Original Indenture, the Company further wishes to establish the designation and certain terms of the Securities of Series No. 5. The Company has duly authorized the execution and delivery of this Supplemental Indenture No. 3 to establish the designation and certain terms of such series of Securities and has duly authorized the issuance of such Securities; and all acts necessary to make this Supplemental Indenture No. 3 a valid agreement of the Company, and to make the Securities of Series No. 5 valid obligations of the Company, have been performed.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE NO. 3 WITNESSETH, that, for and in consideration of the premises and of the purchase of the Securities by the Holders thereof and in order to secure the payment of the principal of and premium, if any, and interest, if any, on all Securities from time to time Outstanding and the performance of the covenants therein and in the Indenture contained, the Company hereby grants, bargains, sells, conveys, assigns, transfers, mortgages, pledges, sets over and confirms to the Trustee, and grants to the Trustee a security interest in and lien on, the real property specifically referred to in Exhibit C attached hereto and incorporated herein by reference and all right, title and interest of the Company in and to all property personal and mixed located thereon (other than Excepted Property), as and to the extent, and subject to the terms and conditions, set forth in the Original Indenture; and it is further mutually covenanted and agreed as follows:

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## ARTICLE ONE

### SECURITIES OF SERIES NO. 5

#### SECTION 101. Creation of Series No. 5 .

There is hereby created a series of Securities designated "First Mortgage Bonds, 4.65% Series due 2043", and the Securities of such series shall:

(a) be issued initially in the aggregate principal amount of \$250,000,000 and shall be limited to such aggregate principal amount (except as contemplated in Section 301(b) of the Original Indenture); provided, however, that, as contemplated in the last paragraph of Section 301 of the Original Indenture, additional Securities of such series may be subsequently issued from time to time, without any consent of Holders of the Securities of such series, if and to the extent that, prior to each such subsequent issuance, the aggregate principal amount of the additional Securities then to be issued shall have been set forth in a Supplemental Indenture, and, thereupon, the Securities of such series shall be limited to such aggregate principal amount as so increased (except as aforesaid and subject to further such increases);

(b) be dated November 14, 2013;

(c) have a Stated Maturity of November 15, 2043, subject to prior redemption or purchase by the Company;

(d) have such additional terms as are established in an Officer's Certificate as contemplated in Section 301 of the Original Indenture; and

(e) be in substantially the form or forms established therefor in an Officer's Certificate, as contemplated by Section 201 of the Original Indenture.

## ARTICLE TWO

### COVENANT .

#### SECTION 201. Satisfaction and Discharge.

The Company hereby agrees that, if the Company shall make any deposit of money and/or Eligible Obligations with respect to any Securities of Series No. 5, or any portion of the principal amount thereof, as contemplated by Section 901 of the Indenture, the Company shall not deliver an Officer's Certificate described in clause (z) in the first paragraph of said Section 901 unless the Company shall also deliver to the Trustee, together with such Officer's Certificate, either:

(a) an instrument wherein the Company, notwithstanding the satisfaction and discharge of its indebtedness in respect of such Securities, or portions of the principal amount thereof, shall retain the obligation (which shall be absolute and unconditional) to irrevocably deposit with the Trustee or Paying Agent such additional sums of money, if any, or additional Eligible Obligations (meeting the requirements of Section 901), if any, or any combination thereof, at such time or times, as shall be necessary, together with the money and/or Eligible Obligations theretofore so deposited, to pay when due the principal of and premium, if any, and interest due and to become due on such Securities or portions thereof, all in accordance with and subject to the provisions of said Section 901; provided, however, that such instrument may state

that the obligation of the Company to make additional deposits as aforesaid shall be subject to the delivery to the Company by the Trustee of a notice asserting the deficiency accompanied by an opinion of an independent public accountant of nationally recognized standing, selected by the Trustee, showing the calculation thereof (which opinion shall be obtained at the expense of the Company); or

(b) an Opinion of Counsel to the effect that the beneficial owners of such Securities, or portions of the principal amount thereof, will not recognize income, gain or loss for United States federal income tax purposes as a result of the satisfaction and discharge of the Company's indebtedness in respect thereof and will be subject to United States federal income tax on the same amounts, at the same times and in the same manner as if such satisfaction and discharge had not been effected.

### **ARTICLE THREE**

#### **CORRECTIONS**

##### **SECTION 301. Correction of Section 805 .**

In accordance with Section 1401(l) of the Original Indenture, Section 805 of the Original Indenture is hereby corrected by inserting the phrase "sixty-six and two-thirds percentum (66-2/3%) of" immediately following the words "equal to" in the penultimate sentence thereof.

##### **SECTION 302. Correction of Section 807.**

In accordance with Section 1401(l) of the Original Indenture, Section 807 of the Original Indenture is hereby corrected by inserting the phrase "sixty-six and two-thirds percentum (66-2/3%) of" immediately following the words "equal to" in clause (d) in the first sentence thereof.

### **ARTICLE FOUR**

#### **MISCELLANEOUS PROVISIONS**

##### **SECTION 401. Single Instrument .**

This Supplemental Indenture No. 3 is an amendment and supplement to the Original Indenture as heretofore supplemented. As amended and supplemented by this Supplemental Indenture No. 3, the Original Indenture, as heretofore supplemented, is in all respects ratified, approved and confirmed, and the Original Indenture, as heretofore supplemented, and this Supplemental Indenture No. 3 shall together constitute the Indenture.

##### **SECTION 402. Effect of Headings .**

The Article and Section headings in this Supplemental Indenture No. 3 are for convenience only and shall not affect the construction hereof.

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This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture No. 3 to be duly executed as of the day and year first written above.

KENTUCKY UTILITIES COMPANY

By: /s/ Daniel K. Arbough

Name: Daniel K. Arbough

Title: Treasurer

ATTEST:

/s/ Dorothy E. O'Brien

Name: Dorothy E. O'Brien

Title: Vice President and Deputy General Counsel,  
Legal and Environmental Affairs

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THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Francine Kincaid  
Name: Francine Kincaid  
Title: Vice President

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COMMONWEALTH OF KENTUCKY            )  
  ) ss.:  
COUNTY OF JEFFERSON                )

On this 5th day of November, 2013, before me, a notary public, the undersigned, personally appeared Daniel K. Arbough, who acknowledged himself to be the Treasurer of KENTUCKY UTILITIES COMPANY, a corporation of the Commonwealths of Kentucky and Virginia and that he, as such Treasurer, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Treasurer.

In witness whereof, I hereunto set my hand and official seal.

/s/ Betty L. Brinly  
Betty L. Brinly  
Notary Public, State at Large, KY  
My Commission expires 6/21/2014

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STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK )

On this 5th day of November, 2013, before me, a notary public, the undersigned, personally appeared Francine Kincaid, who acknowledged herself to be a Vice President of THE BANK OF NEW YORK MELLON, a corporation and that she, as Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Vice President.

In witness whereof, I hereunto set my hand and official seal.

By: /s/ Danny Lee

Danny Lee  
Notary Public, State of New York  
Notary #: 01LE6161129  
Qualified in in New York County  
Commission expires 2/20/2015

The Bank of New York Mellon hereby certifies that its precise name and address as Trustee hereunder are:

The Bank of New York Mellon  
Global Structured Finance  
101 Barclay Street, 7th Floor  
New York, New York 10286  
Attn: Global Americas

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Francine Kincaid

Name: Francine Kincaid  
Title: Vice President

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**CERTIFICATE OF PREPARER**

The foregoing instrument was prepared by:

James J. Dimas, Senior Corporate Attorney  
Kentucky Utilities Company  
220 West Main Street  
Louisville, Kentucky 40202

/s/ James J. Dimas

James J. Dimas

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## KENTUCKY UTILITIES COMPANY

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**Bonds Issued and Outstanding  
under the Indenture**


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Supplemental Indenture No.	Dated as of	Series No.	Series Designation	Date of Securities	Principal Amount Issued	Principal Amount Outstanding(1)
1	October 15, 2010	1	Collateral Series 2010	October 28, 2010	\$ 350,779,405	\$ 350,779,405
2	November 1, 2010	2	1.625% Series due 2015	November 16, 2010	\$ 250,000,000	\$ 250,000,000
		3	3.250% Series due 2020	November 16, 2010	\$ 500,000,000	\$ 500,000,000
		4	5.125% Series due 2040	November 16, 2010	\$ 750,000,000	\$ 750,000,000

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(1) As of November 1, 2013.

## KENTUCKY UTILITIES COMPANY

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**Filing and Recording  
of  
Indenture, dated as of October 1, 2010**

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<u>COUNTY NAME</u>	<u>BOOK &amp; PAGE NUMBER</u>
Adair	MB 297, Pg 118
Anderson	MB 453, Pg 36
Ballard	MB 48, Pg 57
Barren	MB 450, Pg 284
Bath	MB 191, Pg 1
Bell	MB 294, Pg 1
Bourbon	MB 516, Pg 1
Boyle	MB 600, Pg 194
Bracken	MB 256, Pg 288
Bullitt	MB 1342, Pg 1
Caldwell	MB 267, Pg 351
Carroll	MB 204, Pg 153
Casey	MB 212, Pg 676
Christian	MB 1236, Pg 1
Clark	MB 701, Pg 155
Clay	MB 197, Pg 527
Crittenden	MB 189, Pg 671
Estill	MB E9, Pg 1
Fayette	MB 7007, Pg 175
Fleming	MB 283, Pg 160
Franklin	MB 1184, Pg 264
Fulton	MB 168, Pg 1
Gallatin	MB 193, Pg 1
Garrard	MB 302, Pg 141
Grayson	MB 19-E, Pg 1
Green	MB 261, Pg 427
Hardin	MB 1957, Pg 637
Harlan	MB 392, Pg 521
Harrison	MB 339, Pg 1
Hart	MB 310, Pg 14
Henry	MB 296, Pg 1
Hickman	MB 101, Pg 59
Hopkins	MB 1000, Pg 1
Jessamine	MB 1029, Pg 42

Knox	MB 374, Pg 1
Larue	MB 294, Pg 150
Laurel	MB 965, Pg 353
Lee	MB 102, Pg 1
Lincoln	MB 376, Pg 1
Livingston	MB 270, Pg 1
Lyon	MB 202, Pg 1
Madison	MB 1365, Pg 1
Marion	MB 344, Pg 1
Mason	MB 375, Pg 1
McCracken	MB 1282, Pg 1
McLean	MB 168, Pg 1
Mercer	MB 530, Pg 1
Montgomery	MB 450, Pg 606
Muhlenberg	MB 601, Pg 72
Nelson	MB 910, Pg 403
Nicholas	MB 135, Pg 1
Ohio	MB 448, Pg 173
Oldham	MB 1904, Pg 1
Owen	MB 228, Pg 1
Pendleton	MB 325, Pg 1
Pulaski	MB 1249, Pg 1
Robertson	MB 55, Pg 279
Rockcastle	MB 228, Pg 1
Rowan	MB 306, Pg 84
Russell	MB 329, Pg 22
Scott	MB 1008, Pg 1
Shelby	MB 836, Pg 1
Taylor	MB 479, Pg 302
Trimble	MB 180, Pg 191
Union	MB 381, Pg 273
Washington	MB 242, Pg 1
Webster	MB 291, Pg 381
Whitley	MB 528, Pg 1
Woodford	MB 634, Pg 329

**KENTUCKY UTILITIES COMPANY**

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**Filing and Recording  
of  
Supplemental Indenture No. 1, dated as of October 15, 2010,  
to  
Indenture, dated as of October 1, 2010**

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COUNTY NAME	BOOK & PAGE NUMBER
Adair	MB 298, Pg 77
Anderson	MB 453, Pg 600
Ballard	MB 49, Pg 39
Barren	MB 451, Pg 570
Bath	MB 190, Pg 775
Bell	MB 294, Pg 724
Bourbon	MB 517, Pg 75
Boyle	MB 601, Pg 507
Bracken	MB 257, Pg 211
Bullitt	MB 1345, Pg 101
Caldwell	MB 268, Pg 233
Carroll	MB 204, Pg 712
Casey	MB 213, Pg 530
Christian	MB 1237, Pg 630
Clark	MB 703, Pg 549
Clay	MB 198, Pg 110
Crittenden	MB 190, Pg 482
Estill	MB E9, Pg 575
Fayette	MB 7018, Pg 386
Fleming	MB 284, Pg 78
Franklin	MB 1186, Pg 302
Fulton	MB 168, Pg 563
Gallatin	MB 193, Pg 466
Garrard	MB 302, Pg 968
Grayson	MB 19-F, Pg 73
Green	MB 263, Pg 18
Hardin	MB 1959, Pg 388
Harlan	MB 393, Pg 701
Harrison	MB 339, Pg 784
Hart	MB 310, Pg 723
Henry	MB 297, Pg 789
Hickman	MB 122, Pg 17

Hopkins	MB 1001, Pg 615
Jessamine	MB 1031, Pg 229
Knox	MB 375, Pg 19
Larue	MB 296, Pg 58
Laurel	MB 967, Pg 99
Lee	MB 101, Pg 537
Lincoln	MB 376, Pg 781
Livingston	MB 270, Pg 599
Lyon	MB 202, Pg 466
Madison	MB 1367, Pg 489
Marion	MB 345, Pg 1
Mason	MB 376, Pg 286
McCracken	MB 1284, Pg 729
McLean	MB 168, Pg 625
Mercer	MB 531, Pg 300
Montgomery	MB 451, Pg 708
Muhlenberg	MB 602, Pg 564
Nelson	MB 913, Pg 254
Nicholas	MB 135, Pg 568
Ohio	MB 449, Pg 211
Oldham	MB 1909, Pg 267
Owen	MB 228, Pg 628
Pendleton	DB 305, Pg 359
Pulaski	MB 1251, Pg 501
Robertson	MB 56, Pg 111
Rockcastle	MB 227, Pg 525
Rowan	MB A307, Pg 71
Russell	MB 330, Pg 181
Scott	MC 33, Pg 179
Shelby	MB 838, Pg 422
Taylor	MB 480, Pg 285
Trimble	MB 181, Pg 739
Union	MB 382, Pg 165
Washington	MB 242, Pg 467
Webster	MB 292, Pg 147
Whitley	MB 529, Pg 266
Woodford	MB 635, Pg 563

## KENTUCKY UTILITIES COMPANY

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**Filing and Recording  
of  
Supplemental Indenture No. 2, dated as of November 1, 2010,  
to  
Indenture, dated as of October 1, 2010**

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COUNTY NAME	BOOK & PAGE NUMBER
Adair	MB 298, Pg 478
Anderson	MB 454, Pg 524
Ballard	MB 49, Pg 203
Barren	MB 452, Pg 720
Bath	MB 191, Pg 587
Bell	MB 295, Pg 126
Bourbon	MB 517, Pg 709
Boyle	MB 602, Pg 410
Bracken	MB 257, Pg 477
Bullitt	MB 1348, Pg 63
Caldwell	MB 268, Pg 418
Carroll	MB 205, Pg 107
Casey	MB 213, Pg 755
Christian	MB 1239, Pg 559
Clark	MB 704, Pg 689
Clay	MB 198, Pg 205
Crittenden	MB 190, Pg 718
Estill	MB F9, Pg 26
Fayette	MB 7033, Pg 693
Fleming	MB 284, Pg 309
Franklin	MB 1188, Pg 296
Fulton	MB 168, Pg 646
Gallatin	MB 193, Pg 609
Garrard	MB 303, Pg 410
Grayson	MB 19-F, Pg 468
Green	MB 263, Pg 293
Hardin	MB 1961, Pg 197
Harlan	MB 394, Pg 244
Harrison	MB 340, Pg 207
Hart	MB 312, Pg 39
Henry	MB 298, Pg 98
Hickman	MB 122, Pg 92

Hopkins	MB 1003, Pg 274
Jessamine	MB 1033, Pg 316
Knox	MB 375, Pg 516
Larue	MB 296, Pg 284
Laurel	MB 968, Pg 802
Lee	MB 101, Pg 630
Lincoln	MB 377, Pg 359
Livingston	MB 271, Pg 129
Lyon	MB 202, Pg 627
Madison	MB 1369, Pg 754
Marion	MB 345, Pg 558
Mason	MB 376, Pg 660
McCracken	MB 1287, Pg 770
McLean	MB 168, Pg 778
Mercer	MB 532, Pg 337
Montgomery	MB 452, Pg 526
Muhlenberg	MB 603, Pg 465
Nelson	MB 914, Pg 755
Nicholas	MB 135, Pg 702
Ohio	MB 449, Pg 603
Oldham	MB 1914, Pg 176
Owen	MB 229, Pg 123
Pendleton	DB 305, Pg 555
Pulaski	MB 1254, Pg 122
Robertson	MB 56, Pg 221
Rockcastle	MB 227, Pg 667
Rowan	MB A307, Pg 288
Russell	MB 330, Pg 704
Scott	MB 1012, Pg 568
Shelby	MB 839, Pg 732
Taylor	MB 480, Pg 863
Trimble	MB 182, Pg 132
Union	MB 382, Pg 412
Washington	MB 242, Pg 497
Webster	MB 292, Pg 426
Whitley	MB 529, Pg 599
Woodford	MB 637, Pg 103

KENTUCKY UTILITIES COMPANY

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UCC Filings — Kentucky Secretary of State  
for  
Indenture dated as of October 1, 2010,  
as supplemented

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<u>File No.</u>	<u>Date</u>
2010-2481173-19.01	October 8, 2010
2010-2481173-19.02	November 11, 2010
2010-2481175-31.01	October 8, 2010
2010-2481175-31.02	November 11, 2010

B(4)-1

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**KENTUCKY UTILITIES COMPANY**

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**Real Property**

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**Schedule of real property owned in fee located in the Commonwealth of Kentucky**

**Harlan County, Kentucky :**

BEGINNING at an existing steel post standing in a chain link fence at the West side of the Dressin-Sunshine Road and at the Southeast corner of the store room lot; thence with the chain link fence N 84° 21' 55" W 368.93 feet to an existing steel post standing in a chain link fence at the Southwest corner of the store room lot; thence continuing with the chain link fence N 03° 01' 27" 110.15 feet to an existing steel post standing in a chain link fence at the corner of the store room lot; thence continuing with the chain link fence N 49° 15' 58" E 179.24 feet to an existing steel post standing in a chain link fence at the South side of Tarbot Lane; thence continuing with the chain link fence S 82° 13' 31" E 119.50 feet to an existing steel post standing in a chain link fence at the South side of Tarbot Lane at the intersection with Dressin-Sunshine Road; thence along the West side of Dressin-Sunshine Road toward Dressin S 32° 57' 16" E 93.91 feet to a steel pin and cap set; thence crossing the Dressin-Sunshine Road N 85° 13' 52" E passing a steel pin and cap set as a reference at 45.00 feet, a total of 74.00 feet to a corner which is not accessible; thence N 11° 09' 44" W passing a steel pin and cap set as a reference at 5.00 feet, a total distance of 65.00 feet to a steel pin and cap set at the South side of Tarbot Lane; thence along and with Tarbot Lane S 85° 28' 50" E 80.00 feet to a steel pin and cap set at the railroad right-of-way; thence along and with the railroad right-of-way S 06° 37' 35" E 135.00 feet to a steel pin and cap set at the railroad right-of-way, being also the Southeast corner of this tract, said point being located 863 feet northerly along the track from railroad mile post number 243; thence S 83° 19' 34" W 115.00 feet, crossing the Dressin-Sunshine Road to a steel pin and cap set at the West side of the road; thence S 09° 16' 07" E 85.50 feet to the point of beginning, containing 1.93 acres, as surveyed by David A. Atwell, Kentucky Registered Surveyor, License Number 2063, on February 26, 1996.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated June 18, 1996, of record in Deed Book 324, Page 457 in the Office of the Clerk of Harlan County, Kentucky.

**Boyle County, Kentucky :**

Being Tract A-1 as shown on the Minor Plat approved by the Danville-Boyle County Planning & Zoning Commission on January 16, 2013, and recorded at Plat Book 1847B, Page 1, in the Office of the Clerk of Boyle County, Kentucky and containing 4.0 acres.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by General Warranty Deed given by Dennis G. Cox and Crystal J. Cox, dated February 13, 2013 and lodged for record in Deed Book 490, Page 484, in the office of the Boyle County Clerk.

Fayette County, Kentucky :

Beginning at a point in the north property line of the Winchester Pike where it intersects the east property line of Hume Road; thence along the east property line of Hume Road for three calls N 18° 48' W 52.3 feet, S 71° 12' W 5 feet and N 18° 48' W 607.82 feet to a corner with W. S. Rogers; thence with the line of Rogers N 71° 12' E 793 feet to the line of Dr. Adam Miller; thence with Miller for four calls S 01° 45' W. 117.65 feet, S 01° 53' W 207.6 feet, N 84° 24' E 109.6 feet and S 01° 04' E 628.4 feet to the aforesaid north property line of the Winchester Pike; thence along the north property line of the Winchester Pike N 84° 21' W 647.2 feet to the beginning, and containing 13.19 acres. (*Italicized items* were omitted from legal in source deed of record in Deed Book 1437, Page 677, but included in deed of record in Deed Book 600, Page 474, both references to the Fayette County Clerk's office).

There is EXCEPTED from the foregoing conveyance a certain parcel thereof conveyed to McLean Construction Company, Inc., by deed of record in Deed Book 612, Page 236, in the Fayette County Clerk's Office; there is further excepted from the conveyance herein that certain right-of-way conveyed to the Commonwealth of Kentucky, Department of Highways, by deed dated July 6, 1962, and of record in Deed Book 748, Page 380, in the aforementioned Clerk's Office; there is further excepted certain easements and right-of-way agreements with the Southern Bell Telephone and Telegraph Company and the General Telephone Company of Kentucky, dated July 11, 1962 and June 4, 1962, recorded in Deed Book 763, Page 354, in Deed Book 742, Page 463, in the aforementioned Clerk's Office.

NOTE: The above legal description of the Property was revised pursuant to a physical survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., Ky. R.L.S. #3118, dated the 12<sup>th</sup> day of July, 2012, as follows:

BEGINNING at an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments), said pin being located at the Southwest corner of the property being surveyed and being located on the North edge of Right-of-Way of US Hwy 60 (a.k.a Winchester Road) and being on the eastern edge of right-of-way of Hume Road, said right-of-way conveyed to the Commonwealth of Kentucky (D.B. 748, Pg. 380), said pin being 100' north of the centerline of US Hwy 60 and having Kentucky State Plane — North Zone Coordinates (NAD83) N=197050.07 E=1592508.00 and also being N01°07'25"W — 0.50' from the center of a damaged right-of-way marker found, said pin being located in Fayette County, Kentucky and being the POINT OF BEGINNING for this description; Thence leaving the northern edge of right-of-way of US Hwy 60 and with the eastern edge of right-of-way of Hume Road, N26°30'39"W — 161.46 feet to an iron pin set on said right-of-way, said pin being 19 feet east of centerline of Hume Road; Thence continuing with the eastern edge of right-of-way of Hume Road, and being 19 feet east of centerline, N18°39'14"W — 479.84 feet to an iron pin set on the eastern edge of said right-of-way, said pin being a three-way corner of the subject property, James Chester McLean (D.B. 637, Pg. 403) and McLean Construction Company (D.B. 612, Pg. 236); Thence leaving the corner of James Chester McLean and with the line of McLean Construction Company (D.B. 612, Pg. 236), N80°16'46"E — passing a 1" Iron Pipe Found at 0.43 feet and passing an iron witness pin set at 758.11 feet and continuing at the same bearing an additional 0.04' feet to a ¾" Iron Pipe Found, (the total length of this line being 758.15 feet), said pipe being the Southeast corner of McLean Construction Company (D.B. 612, Pg. 236) and being on the western boundary line of Adam Miller (D.B. 589, Pg. 271); Thence leaving the line of McLean Construction Company and with the line of Miller, S02°01'24"W — passing an iron witness pin set at 193.80 feet and continuing at the same bearing an additional 3.02 feet for a total distance being 196.82 feet to an 10" Wood Post Found, N84°34'49"E — passing an iron witness pin set at 3.02 feet and at 107.97 feet and continuing an additional 0.53 feet to a 12" Wood Post Found (the overall total distance of this line is 108.50 feet), S01°07'25"E — passing an iron witness pin set at 0.50 feet and at 628.09 feet and continuing an additional 0.11 feet to a ¾" Iron Pipe Found (the overall total distance of this line is 628.20 feet), said pipe being on the north edge of right-of-

way of US Hwy 60 and being 75 feet north of centerline of US Hwy 60 and being the Southwest corner of Adam Miller (D.B. 589, Pg. 271); Thence leaving the line of Miller and with the Northern edge of right-of-way of US Hwy 60, N84°23'58"W — 140.59 feet to an iron pin set, said pin being 75' North of centerline of US Hwy 60, N78°41'19"W — 251.25 feet to an iron pin set, said pin being 100 feet north of centerline of US Hwy 60 and N84°23'58"W — 250.00 feet to the Point of Beginning and containing 11.844 acres by survey.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, pursuant to deed dated September 21, 2012, of record in Deed Book 3101, Page 213, in the Fayette County Clerk's office.

Lyon County, Kentucky :

Lot Number Twenty-five (#25), in Sara Lane Subdivision as shown by Plat of said subdivision record in Plat Cabinet 1, Slide 88, Lyon County Clerk's Office.

BEING the same property conveyed Kentucky Utilities Company, a Kentucky corporation, by Deed dated October 16, 2013, of record in Deed Book 159, Page 260, in the Office of the County Clerk of Lyon County, Kentucky.

Carroll County, Kentucky :

BEGINNING at a ¼" x 2" Mag Nail with washer stamped "Gooch PLS# 3118" set in the centerline of Black Rock Road, said nail being a corner of the property being surveyed and being the Northwest corner of Charles Beckham (D.B. 152, Pg. 654), said nail being S81°55'30"W — 10.21 feet from the center of a Walnut tree stump, said nail also being approx. 0.61 miles east of the intersection of centerlines of Black Rock Road and Sharon Road and lying in Carroll County, Kentucky and being the Point of Beginning for this description; Thence leaving the corner of Beckham and with the centerline of Black Rock Road, N17°30'50"W — 36.11 feet to a point, N29°05'05"W — 45.18 feet to a point, N38°18'35"W — 15.87 feet to a point, and N64°19'53"W — 8.61 feet to a ¼" x 2" Mag Nail with washer stamped "Gooch PLS#3118" set in the centerline of Black Rock Road, said nail being the South east corner of Jack Schirmer (D.B. 104, Pg. 731); Thence leaving the centerline of Black Rock Road and with the line of Schirmer, N25°40'07"E — passing an iron witness pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments) at 18.71 feet and continuing at the same bearing for a total distance of 30.20 feet to the center of a Walnut Tree Stump; Thence continuing with the line Schirmer, N15°30'31"W — passing an iron witness pin set at 1.45 feet and continuing at the same bearing for a total distance of 274.15 feet to an iron pin set, N82°45'32"E — 64.79 feet to an iron pin set, N22°49'08"W — 240.66 feet to an iron pin set, and N75°47'28"E — 573.52 feet to an iron pin set, said pin being a corner of Jack Schirmer and being on the west line of Kentucky Utilities Company (D.B. 180, Pg. 253); Thence leaving the line of Schirmer (sic) and with the west line of Kentucky Utilities Company, S00°22'25"W — 470.50 feet to an iron pin found (PLS# 2251), S12°11'26"E — 524.36 feet to an iron pin found (PLS# 2251), S11°16'39"E — 324.35 feet to an iron pin found (PLS# 2251) and S11°16'39"E — 19.41 feet to a P.K. nail found in the centerline of Black Rock Road, said nail being the Southwest corner of Kentucky Utilities Company; Thence leaving the line of Kentucky Utilities Company and with the centerline of Black Rock Road, S87°43'08"W — 67.45 feet to a point, N84°56'24"W — 36.73 feet to a point, N71°19'51"W — 68.04 feet to a point, and N63°07'56"W — 58.48 feet to a ¼" x 2" Mag Nail with washer stamped "Gooch PLS# 3118" set in the centerline of Black Rock Road, said nail being the Southeast corner of Charles Beckham (D.B. 152, Pg. 654); Thence leaving the centerline of Black Rock Road and with the line of Beckham, N23°44'00"W — passing an iron witness pin set at 31.50 feet and continuing at

the same bearing for a total distance of 587.85 feet to an iron pin set at the base of fence corner post and S81°55'30"W — passing an iron witness pin set at 115.32 feet and passing the centerline of a walnut tree stump (mentioned above) at 125.07 feet and continuing at the same bearing for a total distance of 135.28 feet to the Point of Beginning for this description and containing 11.306 acres by survey.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated January 14, 2010, of record in Deed Book 181, Page 276, in the Office of the Clerk of Carroll County, Kentucky.

Gallatin County, Kentucky :

Parcel 1 :

BEGINNING at a mag nail set (1/4" x 2" Mag Nail with washer Stamped "Gooch P.L.S. #3118", as will be typical for all Mag Nails set), said nail being a common corner of the parent tract of Scott & Brooks and being a corner of Robert Maddox and Mary L. Seiler Scott (D.B. 92, Pg. 53, Gallatin Co.; D.B. 157, Pg. 97, Carroll Co.; D.B. 45, Pg. 601, Carroll Co.; D.B. 24, Pg. 308, Gallatin Co.; hereinafter referred to as the Maddox & Seiler property), said point being approx. 0.79 miles north of the intersection of centerlines of Montgomery Road and Black Rock Road, said nail lying in the centerline of Montgomery Road, Gallatin County, Kentucky and being the Point of Beginning for this description; Thence with the centerline of Montgomery Road and the line of the Maddox & Seiler property, N33°08'48"W — 124.58 feet to a Mag nail set in the centerline of said road; Thence leaving the centerline of the road but continuing with the line Maddox & Seiler property, N20°03'34"W — 826.58 feet to an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments), said pin being 46.98 feet east of the centerline of Montgomery Road, N53°24'33"W — 483.25 feet to an iron pin set, said pin being 14.32 feet east of the centerline of Montgomery Road and N17°06'39"W — 179.61 feet to a point in Montgomery Road, said point being 1.51 feet east of the centerline of Montgomery Road, said point being on the eastern line of the Maddox & Seiler property and being a corner of Mark Kearns (D.B. 106, Pg. 418, Gallatin Co.); Thence leaving the line of the Maddox & Seiler property and with the line of Kearns, S89°59'53"E — passing an iron witness pin found (PLS# 3423) at 11.48 feet and continuing at the same bearing for a total distance of 1448.41 feet to an iron pin found with no ID cap, S00°21'02"W — 151.50 feet to an iron pin found, (PLS# 3423), S29°54'30"W — 86.01 feet to an iron pin found (PLS# 3423), and N89°21'44"E — 1062.54 feet to an iron pin found (PLS# 1961), said pin being a four way corner of the parent tract, Mark Kearns, Buell and Virginia Shields (D.B. 34, Pg. 440, D.B. 33, Pg. 303), and Kevin Deaton (D.B. 47, Pg. 202, Gallatin Co.); Thence leaving the line of Kearns and Shields and with the line of Deaton, S01°41'53"W — passing pins found online at 90.99 feet, 190.02 feet, 390.04 feet, 490.02 feet, 689.92 feet and 789.87 feet all with an identification cap bearing PLS# 1961, and continuing 100.04 feet to an iron pin found (PLS# 1961) a total distance of 889.91 feet, said pin being a common corner of the parent tract and Deaton; Thence continuing with the line of Deaton S88° 19'41"W — passing pins found online at 128.77 feet, 228.80 feet, 428.72 feet and 928.70 feet to an iron pin set, said pin being a total distance of 928.70 feet, said pin being a common corner of the parent tract, Deaton, and the Maddox & Seiler property (D.B. 92, Pg. 53, Gallatin Co.; D.B. 157, Pg. 97, Carroll Co.; D.B. 45, Pg. 601, Carroll Co.; D.B. 24, Pg. 308, Gallatin Co.); Thence leaving the line of Deaton and with the line of Maddox & Seiler property, S73°46'07"W — 749.80 feet to the Point of Beginning and containing 49.898 acres by survey.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated January 8, 2010, of record in Deed Book 108, Page 334, in the Office of the Clerk of Gallatin County, Kentucky.

Parcel 2 :

COMMENCING at a ¼" x 2" Mag Nail Set in the Centerline of Montgomery Road, said Mag nail being approximately 0.46 mile north of the intersection of centerlines of Montgomery Road and Black Rock Road, and being the Southeast Corner of Kentucky Utilities Company (D.B. 108, Pg. 324 - Gallatin County and D.B. 181, Pg. 210 - Carroll County); Thence leaving the centerline of Montgomery Road and with the line of Kentucky Utilities Company, S79°59'44"W — 18.95 feet to an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments) at a fence corner post, on the west edge of right-of-way of Montgomery Road, said pin being on the southern line of said Kentucky Utilities Company property and being the Northeast Corner of the property being surveyed and being the POINT OF BEGINNING for this description; Thence leaving the line of Kentucky Utilities Company and with the west edge of right-of-way of Montgomery Road, S09°33'39"E — 55.88 feet to a point, S06°15'14"E — 32.48 feet to a point, S03°50'09"E — 45.71 feet to a point, S01°44'45"W — 31.70 feet to a point, S07°35'02"W — 29.65 feet to a point, S15°45'54"W — 28.98 feet to a point, S24°01'52"W — 24.03 feet to a point, S31°53'46"W — 24.34 feet to a point, S37°29'11"W — 44.36 feet to a point, and S37°52'36"W — 51.82 feet to an iron pin found (PLS# 2119), said iron pin found being 20.74 feet west of centerline of Montgomery Road and being a corner of Kentucky Utilities Company (Parcel No. 1, D.B. 180, PG. 253 — Carroll County, D.B. 107, PG. 584 — Gallatin County); Thence leaving the west edge of right-of-way of Montgomery Rod and with the line of Kentucky Utilities Company, S66°00'56"W — 229.63 feet to an iron pin found (PLS# 2119) and N05°15'30"E — 362.43 feet to an iron pin found (PLS# 2119), said pin being the Northeastern corner of Kentucky Utilities Company (Parcel No. 1, D.B. 180, PG. 253 — Carroll County, D.B. 107, PG. 584 — Gallatin County) and being on the southern line of Kentucky Utilities Company (D.B. 108, Pg. 324 - Gallatin County and D.B. 181, Pg. 210 - Carroll County); Thence leaving the line of Kentucky Utilities Company (Parcel No. 1, D.B. 180, PG. 253 — Carroll County, D.B. 107, PG. 584 — Gallatin County) and with the line of Kentucky Utilities Company (D.B. 108, Pg. 324 - Gallatin County and D.B. 181, Pg. 210 - Carroll County), N73°59'44"E — 265.20 feet to the Point of Beginning and containing 2.032 acres by survey.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated March 18, 2011, of record in Deed Book 110, Page 776, and by Quitclaim Deed dated March 18, 2011, of record in Deed Book 111, Page 9, both in the Office of the Clerk of Gallatin County, Kentucky.

Parcel 3 :

Tract 1 :

BEING Tract No. 1 as shown on the Boundary Survey Plat of the Kevin Deaton Property prepared from a physical survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., Ky. R.L.S. #3118, dated the 29<sup>th</sup> day of March, 2011 and approved by Warsaw, Glencoe and Gallatin County Planning Commission, Docket No. PS-11-21, on June 23, 2011, of record in Plat Cabinet B, Slide 194 in the aforesaid Office.

Tract 2 :

BEING Tract No. 2 as shown on the Boundary Survey Plat of the Kevin Deaton Property prepared from a physical survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., Ky. R.L.S. #3118, dated the 29<sup>th</sup> day of March, 2011 and approved by Warsaw, Glencoe and Gallatin County Planning Commission, Docket No. PS-11-21, on June 23, 2011, of record in Plat Cabinet B, Slide 194 in the aforesaid Office.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated and recorded on June 30, 2011, in Deed Book 111, Page 575, and by Deed dated and recorded on June 30, 2011, of record in Deed Book 111, Page 579, both in the Office of the Clerk of Gallatin County, Kentucky.

Gallatin and Carroll Counties, Kentucky :

Parcel 1 :

BEGINNING at a mag nail set (1/4" x 2" Mag Nail with washer Stamped "Gooch P.L.S. #3118", as will be typical for all Mag Nails set), said nail being in the centerline of Montgomery Road and being a corner of Sandra McDole (D.B. 56, Pg. 12, Gallatin Co.) and being on the line of Kevin Deaton (D.B. 47, Pg. 202, 4<sup>th</sup> tract), said pin being approximately 0.46 miles north of the intersection of centerlines of Montgomery Road and Black Rock Road, said nail lying in Gallatin County, Kentucky being the Point of Beginning for this description; Thence leaving the centerline of Montgomery Road and leaving the line of Kevin Deaton and with the line of Sandra McDole, S73°59'44"W — passing an iron witness pin set at wood fence post at 18.95 feet and continuing for a total distance of 284.15 feet to an iron pin found (PLS# 2119), said pin being a corner of Sandra McDole and Kentucky Utilities Company (D.B. 180, Pg. 253, Carroll County); Thence leaving the line of McDole and with the line of Kentucky Utilities Company, S74°23'18"W — 796.56 feet to an iron pin found (PLS# 2119), S74°30'26"W — 354.68 feet to an iron pin found (PLS# 2251), and S74°48'55"W — 353.47 feet to an iron pin found (PLS# 2251), said pin being a corner of Jack Schirmer (D.B. 104, Pg. 731) and Kentucky Utilities Company; Thence leaving the line of Kentucky Utilities Company and with the line of Schirmer, N18°41'13"W — passing an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments), online at 896.97 feet and continuing for a total distance of 1857.57 feet to an iron pin set adjacent to a wood post found adjacent to a 48" Oak Tree as called for in Kentucky Utilities Company (D.B. 122, Pg. 516) and being a corner of Kentucky Utilities Company (D.B. 122, Pg. 516, Carroll Co.); Thence leaving the line of Schirmer and with the line of Kentucky Utilities Company, N35°57'22"W — 508.19 feet to an iron pin found (PLS# 3423 and PLS# 3729), N32°39'34"W — 646.80 feet to an iron pin set adjacent to a fence corner post as called for in D.B. 122, Pg. 516, and N14°33'07"W — 297.00 feet to an iron pin set, said pin being a corner of David C. White and Lorenda White (D.B. 72, Pg. 199, Gallatin Co. and D.B. 129, Pg. 319, Carroll Co.); Thence leaving the line of Kentucky Utilities Company and with the line of White, N73°10'03"E — 396.34 feet to an iron pin set (PLS# 3423), said pin being a corner of White and being a corner of the property being claimed by Mark Kearns (No Deed Found); Thence leaving the corner of White and with property being claimed by Kearns, N75°50'04"E — 270.70 feet to an iron pin found (PLS# 3423), said pin being a corner of the property being claimed by Kearns and being corner of the Mark Kearns property (D.B. 106, Pg. 418, Gallatin Co.); Thence leaving the property being claimed by Mark Kearns (No Deed Found) and with the line of Mark Kearns (D.B. 106, Pg. 418), N75°50'04"E — 832.33 feet to an iron pin found (PLS# 3423), said pin being a corner of the property of Mark Kearns and Kentucky Utilities Company (D.B. 107, Pg. 590, Gallatin Co.); Thence leaving the line of Kearns and with the Kentucky Utilities Company Line, N75°50'04"E — passing an iron witness pin found (PLS# 3423) at 142.51 feet continuing for a total distance of 147.51 feet to an Ash Tree Found, said Ash Tree being a corner of Kentucky Utilities Company and Mark Kearns; thence leaving the line of Kentucky Utilities Company and with the line of Mark Kearns, N75°50'04"E — passing a found P.K. nail in the Montgomery Road at 15.29 feet and continuing for a total distance of 16.90 feet to a mag nail set in the centerline of Montgomery Road; Thence continuing with the first the line of Kearns and second the line of David Brooks (D.B. 47, Pg. 342 Gallatin Co. and D.B. 47, Pg. 304, Gallatin Co.), S17°06'39"E — 187.53 feet to an iron pin set, said pin being 14.32 feet east of the centerline of Montgomery Road and being a corner of David Brooks; Thence continuing with the line of Brooks, S53°24'33"E — 483.25 feet to an iron pin set, said pin being 46.98 feet east of the centerline of Montgomery Road, S20°03'34"E —

826.58 feet to a mag nail set in the centerline of Montgomery Road and S33°08'48"E — 124.58 feet to a mag nail set in the centerline of Montgomery Road; Thence leaving the centerline of Montgomery Road and continuing with the line of David Brooks N73°46'07"E — 749.80 feet to an iron pin set a fence corner post, said pin being a corner of Kevin Deaton (D.B. 47, Pg. 202, 2<sup>nd</sup> tract); Thence leaving the line of Brooks and with the line of Deaton, S11°38'19"E — 1690.61 feet to an iron pin found (PLS# 3423), said pin being in the northwestern edge of an existing gravel driveway, said pin also being the southeast corner of the parent tract and being a corner of Kevin Deaton (D.B. 47, Pg. 202, 4<sup>th</sup> tract) and being on the line of Kevin Deaton (D.B. 47, Pg. 202, 2<sup>nd</sup> tract); Thence leaving the line of Kevin Deaton (D.B. 47, Pg. 202, 2<sup>nd</sup> tract) and with the line of Kevin Deaton (D.B. 47, Pg. 202, 4<sup>th</sup> tract), the following thirteen courses: S72°52'10"W — 25.17 feet to an iron pin found (PLS# 1961), S12°01'39"E — 4.82 feet to an iron pin found (PLS# 1961), S74°47'21"W — 156.29 feet to an iron pin found (PLS# 1961), N83°18'42"W — 45.40 feet to an iron pin found (PLS# 1961), N58°15'22"W — 29.75 feet to an iron pin set a fence post, N59°33'40"W — 144.87 feet to an iron pin set a fence post, N70°53'50"W — 71.88 feet to an iron pin set at a fence post, N78°52'05"W — 81.07 feet to a Mag Nail found in the centerline of Montgomery Road and continuing with the line of Deaton and with the centerline of Montgomery Road, S36°30'15"E — 34.78 feet to a point, S30°01'34"E — 26.82 feet to a point, S22°21'46"E — 47.61 feet to a point, S18°00'12"E — 94.61 feet to a point and S13°18'49"E — 50.14 feet to the Point of Beginning and containing 152.898 acres by survey.

This description prepared from a physical survey conducted by AGE Engineering, Douglas Gooch Ky. R.L.S. #3118, dated the 12<sup>th</sup> day of November, 2009.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed recorded on January 7, 2010, in Deed Book 181, Page 210, in the Office of the Clerk of Carroll County, Kentucky, and by Deed recorded on January 8, 2010, in Deed Book 108, Page 324, in the Office of the Clerk of Gallatin County, Kentucky.

Parcel 2 :

Situated in the Commonwealth of Kentucky, Gallatin and Carroll County, east of the City of Ghent, being all of the remaining land heretofore conveyed to Mark E. and Ruth R. Kearns, by deed, recorded in Deed Book 106, Page 418 of the Gallatin County deed records, and being more particularly described as follows:

Beginning at an existing Ash tree on the northerly line of a tract of land heretofore conveyed to Kentucky Utilities Company by deed, recorded in Deed Book 108 Page 324 (Gallatin Co.) and Deed Book 181, Page 210 (Carroll Co.) and the southeasterly most corner of a tract of land heretofore conveyed to Kentucky Utilities Company, by deed, recorded in Deed Book 107 Page 590 of said Gallatin County deed records, and a point on the westerly right-of-way line of Montgomery Road being fifteen (15) feet from the center of said road, said tree witnessed by a found 5/8" iron pin stamped One Eleven #3423, N76°34'28"W, 5.00 feet;

Thence along said Kentucky Utilities Company tract of land on the following three (3) courses: (1) along said westerly right-of-way line of Montgomery Road, N24°45'49"E, 147.50 feet to a found iron pin and cap stamped One Eleven 3423; (2) leaving said westerly right-of-way line, N76°34'28"W, 147.50 feet to a found iron pin and cap stamped One Eleven 3423; (3) S24°45'49"W, 147.50 feet to a found iron pin and cap stamped One Eleven 3423 on the northerly line of said Kentucky Utilities Company tract of land;

Thence along said northerly line, N76°34'28"W, passing a set iron pin and cap, at a distance of 832.50 feet, a total distance of 1103.10 feet to a set iron pin and cap at a southeasterly most corner of a tract of land heretofore conveyed to Kentucky Utilities, by deed, recorded in Deed Book 108 Page 247 and 108

Page 443 (Gallatin County) as well as Deed Book 181 Page 104 and Deed Book 181 Page 109 (Carroll County);

Thence along the lines of said Kentucky Utilities Company tract of land, on the following three (3) courses: (1) N49°25'56"E, 393.22 feet to a set iron pin and cap; (2) N06°21'30"E, 1647.79 feet to a set iron pin and cap; (3) S80°41'18"E, 1225.11 feet to a set iron pin and cap on a westerly line of a tract of land heretofore conveyed to Buell and Virginia Shields, by deeds, recorded in Deed Book 34 Page 440 and Deed Book 33 Page 303;

Thence along the lines of said Shields' tract of land on the following four (4) courses: (1) S02°40'22"E, 282.87 feet to a set iron pin and cap; (2) S06°36'57"E, 610.38 feet to a set iron pin and cap; (3) S25°24'47"W, passing a set iron pin and cap at a distance of 263.30 feet, a total distance of 268.30 feet to a found fence post; (4) S72°21'10"E, passing a set iron pin and cap at a distance of 5.00 feet, and a distance of 239.70 feet on the westerly right-of-way line of Montgomery Road, a total distance of 298.06 feet to a set mag nail in the center of Montgomery Road and a southwesterly most corner of a tract of land heretofore conveyed to Barry and Alma Shields, by deed, recorded in Deed Book 83 Page 369, of the Gallatin County Deed Records;

Thence along the southerly line of said Barry and Alma Shields' tract of land, on the following four (4) courses; (1) S70°39'09"E, 54.35 feet to a found ½" iron pin; (2) S70°39'09"E, passing a set iron pin and cap on the easterly right-of-way line of Montgomery Road, at a distance of 21.59 feet, a total distance of 1119.53 feet to a found fence post; (3) S68°41'56"E, 141.63 feet to a found fence post; (4) S66°40'41"E, passing a found iron pin and cap stamped Mylor #1961, at a southerly corner of said Buell and Virginia Shields' tract of land, a total distance of 127.44 feet to a set iron pin and cap;

Thence along said line of Buell and Virginia Shields' tract on the following two (2) courses: (1) S62°05'58"E, 811.82 feet to a fence post; (2) S29°25'17"W, 1420.15 feet to a found iron pin and cap stamped Mylor #1961 at the northwesterly most corner of a tract of land heretofore conveyed to Kevin and Lucy Deaton, by deed, recorded in Deed Book 47 page 202, and the northeasterly most corner of a tract of land heretofore conveyed to Kentucky Utilities Company by deed, recorded in Deed Book 108 Page 334 of the Gallatin County Deed Records;

Thence along the northerly line of said Kentucky Utilities Company tract of land on the following four (4) courses: (1) N63°04'43"W, 1062.48 feet to a set iron pin and cap; (2) N57°26'21"E, 86.04 feet to a set iron pin and cap; (3) N27°55'46"E, 151.59 feet to a found ½" iron pin; (4) N62°24'44"W, passing a set iron pin and cap on the westerly right-of-way line of Montgomery Road, a distance of 1436.90 feet a total distance of 1451.92 feet to a set mag nail in the center of Montgomery Road and on the easterly line of said Kentucky Utilities Company tract of land;

Thence along the lines of Kentucky Utilities Company tract of land, on the following two (2) courses: (1) along the center of Montgomery Road, N24°45'49"E, 7.15 feet to a set mag nail; (2) N76°34'28"W, 15.30 feet to the beginning. Containing 128.3422 acres of land more or less, subject to easements, conditions, covenants, restrictions, and rights-of-way of record.

Further being subject to an existing 30 feet wide right-of-way for Montgomery Road, being 15 feet on either side of the following described centerline:

Beginning at set mag nail at the northeasterly most corner of a tract of land heretofore conveyed to Kentucky Utilities Company, by deed, recorded in Deed Book 108 Page 324 of the Gallatin County Deed Records and Deed Book 181, Page 210 of the Carroll County Deed Records and being more particularly described as follows: Thence N24°45'49"E, 192.38 feet to a set mag nail; Thence N25°54'22"E, 113.79



feet to a set mag nail; Thence N25°15'06"E, 342.76 feet to a set mag nail; Thence N31°24'50"E, 87.96 feet to a set mag nail; Thence N46°04'17"E, 36.28 feet to a set mag nail; Thence N64°33'00"E, 38.84 feet to a set mag nail; Thence N73°18'02"E, 114.19 feet to a set mag nail; Thence N74°54'35"E, 64.49 feet to a set mag nail; Thence N77°56'39"E, 53.65 feet to a set mag nail; Thence N83°40'42"E, 53.30 feet to a set mag nail; Thence S86°25'53"E, 50.70 feet to a set mag nail at the southeasterly most corner of a tract of land heretofore conveyed to Barry and Alma Shields, by deed, recorded in Deed Book 83 Page 369 of the Gallatin County Deed Records; records and the terminus of the centerline description. Containing 0.7971 of an acre of land more or less, subject to easements, conditions, covenants, restrictions, and rights-of-way of record.

Iron pins called to be set are 5/8" iron pins, twenty-four inches in length, with an orange cap stamped One Eleven #3423.

The above description and bearing system is based on the Kentucky Utilities Plant Grid System. It is further based on a field survey made by One Eleven Engineering and Surveying PLLC dated October 21, 2009.

This survey prepared by One Eleven Engineering and Surveying PLLC, James J. Bertram Jr. PLS, #3423 in the Commonwealth of Kentucky, October 21, 2009 and Revised March 16, 2010.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed recorded on March 18, 2010, in Deed Book 181, Page 684, in the Office of the Clerk of Carroll County, Kentucky, and by Deed recorded on March 18, 2010, in Deed Book 108, Page 668, in the Office of the Clerk of Gallatin County, Kentucky.

Parcel 3 :

Tract 1 :

The following is a description of a parcel of land lying on the east side of Montgomery Ridge Road, 3.0 miles, south of US 42, in Carroll & Gallatin Counties, Kentucky, and more particularly described as follows:

Beginning at Point in the center of Montgomery Road, from which a point in the center of Montgomery Road at the Northwest corner in parent tract bears N18°50'50"E 70.76 feet; thence leaving Montgomery Road and with a new made line over the land of Adrian Owens, Deed Book 57, Page 162, S80°50'47"E 22.24 feet to an Iron Pin (set); thence S80°50'47"E 363.82 feet to an Iron Pin (set); thence S01°09'13"W 532.94 feet to an Iron Pin (set); thence N84°24'15"W 171.52 feet to an Iron Pin (set); (a small family cemetery, marked by two 36" walnut and a 36" oak, is located two feet to the north and east of this Iron Pin); thence N84°38'44"W 214.39 feet to an Iron Pin (set); thence N84°38'44"W 21.13 feet to a Point in the center of Montgomery Road; thence with the center of Montgomery Road N01°15'09"W 48.85 feet; thence N00°19'26"E 46.30 feet; thence N02°31'36"E 69.20 feet; thence N03°51'27"E 109.71 feet; thence N05°06'05"E 282.94 feet to the Point of Beginning, containing 5.000 Acres, and subject to all rights-of-ways and easements of record or in existence.

The above description is in accordance with a survey made by Joe H. Justice, Jr. R.L.S. No. 1989 on June 15, 2001.

Tract 2 :

Being Tract 1 as shown on that certain Plat of Adrian Owen Property approved by Warsaw, Glencoe and

Gallatin County Planning Commission, Docket No. PS-11-06, on March 17, 2011, of record in Plat Cabinet B, Slide 188 in the aforesaid Office.

Such property also being described as follows:

This property lies partially in Carroll and Gallatin County.

BEGINNING at a Mag Nail set (1/4" x 2" Mag Nail as will be common for all Mag Nails Set) at the intersection of centerline of Black Rock Road and Montgomery Road, having Kentucky State Plane Coordinate System — North Zone Coordinates of N=445025.67 E=1427841.89 and lying in Carroll County, Kentucky, and being the POINT OF BEGINNING for this description; Thence leaving the centerline of Black Rock Road and with the centerline of Montgomery Road, N04°11'12"E — 104.87 feet to a point, N03°17'24"W — 274.82 to a mag nail found in the centerline of Montgomery Road, and N02°22'52"W — 357.79 feet to a Mag Nail set in the centerline of Montgomery road; Thence leaving the centerline of Montgomery Road and across the parent tract with three (3) new courses: S83°49'20"E — passing an iron witness pin set at 20.23 feet and continuing 388.36 for a total distance of 408.59 feet to an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments), N06°30'01"W — 559.60 feet to an iron pin set and N82°59'31"W — passing an iron witness pin set at 360.81 feet and continuing 20.18 feet for a total distance of 380.99 feet to a Mag Nail set in the centerline of Montgomery Road; Thence with the centerline of Montgomery Road, N00°30'48"E — 143.72 feet to a point, N00°02'12"E — 82.74 feet to a point, N03°11'41"W — 58.58 feet to a point, N03°29'38"W — 32.42 feet to a point, N01°46'27"E — 39.12 feet to a point, N02°39'14"E — 36.02 feet to a point, N05°36'11"E — 35.32 feet to a point, N09°11'41"E — 39.18 feet to a point, N14°47'54"E — 37.80 feet to a point, N18°04'18"E — 55.15 feet to a point, N17°18'12"E — 37.94 feet to a point, N18°29'15"E — 25.69 feet to a point, N22°49'09"E — 26.39 feet to a point, N30°27'44"E — 80.46 feet to a point, N34°23'35"E — 32.71 feet to a point, N38°04'53"E — 36.86 feet to a point, N37°29'11"E — 45.44 feet to a point, N31°53'46"E — 26.69 feet to a point, N24°01'52"E — 26.85 feet to a point, N15°45'54"E — 31.86 feet to a Mag Nail Set, N07°35'02"E — 32.10 feet to a point, N01°44'45"E — 33.70 feet to a point, N03°50'09"W — 47.11 feet to a point, N06°15'14"W — 37.49 feet to a point, N09°19'37"W — 26.18 feet to a point, and N12°25'13"W — 23.01 feet to a Mag Nail Set in the centerline of Montgomery Road, said nail being the Southwest Corner of Kevin Deaton (4<sup>th</sup> Tract, D.B. 47, PG. 202 (GALLATIN CO.); Thence leaving the centerline of Montgomery Road and with the southern line of Tract 4 of Deaton, N72°44'07"E — 25.17 feet to an iron pin found (PLS# 1961), N72°33'07"E — 422.86 feet to an iron pin set sad pin lying in the gravel roadway, and being the southwest corner of Kevin Deaton (Tract 3, D.B. 47, PG. 202) and being the Northwest corner of Kevin Deaton (D.B. 49, Pg. 215); Thence leaving the corner of Deaton (D.B. 47, Pg. 202) and with first the line of Deaton (D.B. 49, Pg. 215) following the remnants of an old fence and second with the line of Robert Furnish (D.B. 21, Pg. 419), S16°02'19"E — passing the centerline of Stephen Branch at 2211.77 feet and continuing 236.39 feet to an iron witness pin set (pin set 20' north of the centerline of Black Rock Road) and continuing 24.37 feet for an overall total distance of 2472.53 feet to a Mag Nail set in the centerline of Black Rock Road; Thence leaving the line of Furnish and with the centerline of Black Rock Road, S39°06'14"W — 60.72 feet to a point, S45°34'37"W — 31.36 feet to a point, S49°33'38"W — 83.60 feet to a point, S43°11'49"W — 50.44 feet to a point, S37°59'26"W — 70.43 feet to a point, S34°32'08"W — 108.74 feet to a point, S38°17'35"W — 39.35 feet to a point, S43°27'25"W — 68.58 feet to a point, S54°02'11"W — 57.58 feet to a point, S70°25'47"W — 42.24 feet to a point, and S87°55'24"W — 12.22 feet to a point on the centerline of Black Rock Road; Thence leaving the centerline of Black Rock Road and with (4) four new lines to the parent tract, N17°50'06"E — passing an iron witness pin set at 22.00 feet and continuing 405.08 feet for a total distance of 427.08 feet to an iron pin set, N00°37'49"E — 212.41 feet to an iron pin set, S84°53'45"W — 410.00 feet to an iron pin set, and S11°43'25"W — passing an iron pin set 503.01 feet and continuing 19.62 feet for a total distance of 522.63 feet to point on the centerline of Black Rock Road; Thence with the centerline of Black Rock Road, N83°01'17"W — 39.61 feet to a point, N79°20'25"W — 86.70 feet to a

point, N72°29'44"W — 45.02 feet to a point, N66°16'01"W — 45.39 feet to a point, N59°31'43"W — 76.64 feet to a point, N53°49'50"W — 101.04 feet to a point, N47°00'32"W — 27.42 feet to a point, and N42°15'56"W — 85.47 feet to the Point of Beginning containing 46.926 acres by survey.

This description prepared from a physical survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., Ky. R.L.S. #3118, dated the 23<sup>rd</sup> day of February, 2011.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated and recorded on March 18, 2011, in Deed Book 184, Page 507, and by Deed dated and recorded on March 18, 2011, of record in Deed Book 184, Page 511, both in the Office of the Clerk of Carroll County, Kentucky, and by Deed dated and recorded on March 18, 2011, in Deed Book 110, Page 770, and by Deed dated and recorded on March 18, 2011, in Deed Book 110, Page 774, both in the Office of the Clerk of Gallatin County, Kentucky.

Hart County, Kentucky :

BEGINNING at an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments) on the eastern edge of right-of-way of the Norfolk Southern Railway Company (D.B. 104, PG. 271, D.B. 104, PG. 280, D.B. 104, PG. 323) and being the Northwest Corner of Frederick Dempsey (D.B. 160, Pg. 273), said pin having Kentucky State Plane Coordinate System — South Zone Coordinates of N=2166662.24, E=1936109.81 lying in Mercer County, Kentucky, said point also being S05°28'37"W — 3162.76 feet from the Southeast Corner of the Curdsville Bridge Abutment over the Norfolk Southern Railway Company and being the Point of Beginning for this description; Thence leaving the corner of Dempsey and with the eastern edge of right-of-way of the Norfolk Southern Railway Company, along a curve to the left, having a radius of 2010.10 feet, having a chord direction of N28°05'03"E and a chord length of 384.86 feet to a point, N21°36'34"E — 32.90 feet to an iron pin set, N21°36'34"E — 268.84 feet to a point N20°36'32"E — 662.38 feet to an iron pin set, N20°13'14"E — 103.35 feet to a point, N20°04'10"E — 88.92 feet to a point, N18°49'41"E — 110.75 feet to an iron pin set, along a curve to the left having a radius of 2010.10 feet having a chord direction of N01°07'03"E and a chord length of 1208.47 feet to an iron pin set, N17°06'41"W — 86.50 feet to a point, N19°02'37"W — 88.87 feet to a point, N20°01'53"W — 131.46 feet to a point and N21°11'24"W — 238.36 feet to an iron pin set, said pin being on the eastern edge of right-of-way of the Norfolk Southern Railway; Thence leaving said railroad and with a new line to the parent tract, N36°27'44"E — 39.74 — feet to an iron pin set, said pin being the Southwest Corner of Kentucky Utilities Company (D.B. 230, Pg. 201); Thence with the line of Kentucky Utilities Company (D.B. 230, Pg. 201), S52°10'06"E — crossing Hardin Heights Drive 226.73 feet to an iron pin set, S48°39'56"E — 32.12 feet to an iron pin found (KYTC), S53°10'45"E — 111.22 feet to an iron pin set, S49°16'35"E — 730.79 feet to an iron pin set, S25°44'27"E — 90.27 feet to an iron pin set, S15°06'22"E — 386.08 feet to an iron pin set S20°30'30"E — 260.47 feet to an iron pin set, S03°24'21"E — 211.52 feet to an iron pin set, S34°16'49"E — 109.16 feet to an iron pin set, S46°46'12"E — 70.01 feet to an iron pin set, S70°49'20"E — 59.42 feet to an iron pin set, N85°27'56"E — 480.51 feet to an iron pin found with no ID Cap, N84°13'12"E — 468.44 feet to an iron pin set, N02°44'33"W — 5.00 feet to an iron pin set, N84°56'26"E — 361.18 feet to an iron pin set, S67°45'29"E — 47.32 feet to an iron pin set, S52°26'28"E — 527.44 feet to an iron pin set, said pin being on the southern line of Kentucky Utilities Company and being a corner of Hardin Heights, Inc. said pin being on the western line of Hardin Heights, Inc. (D.B. 130, Pg. 147, see also Plat of Hardin Heights Camp Sites Plat Slide A-69); Thence leaving the line of Kentucky Utilities Company and crossing Hardin Heights Drive with the line of Hardin Heights, Inc., S36°08'14"W — 12.01 feet to a mag nail set (1/4" x 2" Mag Nail set as will be typical for all Mag Nails set), said nail being a new corner of the parent tract, S51°06'46"E — 35.00 feet to a Mag Nail Set, S47°51'46"E — 50.00 feet to a Mag Nail Set, S42°51'46"E — 50.00 feet to an iron pin set, S37°51'46"E — 50.00 feet to an iron pin set, S32°51'46"E — 50.00 feet to an iron pin set, S27°51'46"E —

50.00 feet to a Mag Nail Set, S22°51'46"E — 50.00 feet to a Mag Nail Set, S17°51'46"E — 50.00 feet to an iron pin set, S12°51'46"E — 50.00 feet to an iron pin set, S07°51'46"E — 50.00 feet to an iron pin set, S02°51'46"E — 50.00 feet to an iron pin set, S02°08'14"W — 50.00 feet to an iron pin set, S04°36'20"W — 338.90 feet to an iron pin found (PLS# 3816), S26°28'46"W — 98.98 feet to an iron pin found (PLS# 3816), S47°50'27"W — 170.00 feet to an iron pin found (PLS# 3816), S60°08'28"W — 172.18 feet to an iron pin found (PLS# 3816), and S23°53'27"E — 39.86 feet to a 1" Iron Pipe Found, said pipe being a corner of the Hardin Heights, Inc. (D.B. 130, Pg. 147) and the Southwest corner of Lot 1 of Hardin Heights Camp Estates; Thence leaving the line of Hardin Heights, Inc. (D.B. 130, Pg. 147) and with the line of Lot 1 of Hardin Heights Camp Estates, S23°38'19"E — 204.33 feet to an iron pin set at elevation 760, said pin being N23°38'19"W — 5.11 feet from a found 1" Pipe; Thence leaving Lot 1 of Hardin Heights Camp Estates and with the line of Kentucky Utilities Company (D.B. 104, Pg. 318) and 760 elevation line, S79°31'40"W — 457.41 feet to an iron pin found (PLS# 3816), S58°56'55"W — 83.56 feet to an iron pin found (PLS# 3816), S51°40'58"W — 58.42 feet to an iron pin found (PLS# 3816), S47°50'51"W — 22.05 feet to an iron pin found (PLS# 3816), S45°47'52"W — 138.57 feet to an iron pin found (PLS# 3816), S75°05'26"W — 95.47 feet to an iron pin found (PLS# 3816), S81°32'53"W — 488.43 feet to an iron pin found (PLS# 3816), S88°28'56"W — 209.89 feet to an iron pin found (PLS# 3816), S86°18'39"W — 122.17 feet to an iron pin found (PLS# 3816), and N83°26'18"W — 76.85 feet to an iron pin found (PLS# 3816), said pin being at the 760 Elevation and being a corner of Fredrick Dempsey (D.B. 160, Pg. 273); Thence leaving the 760 Elevation and with the line of Dempsey, N67°55'13"W — 61.50 feet to an iron pin found (PLS# 3816) in the centerline of the Creek, N30°57'02"W — 250.95 feet to an iron pin set, N16°11'02"W — 120.12 feet to an iron pin found (PLS# 3816), N48°20'38"W — 124.02 feet to an iron pin found (PLS# 3816), N38°06'58"W — 98.94 feet to an iron pin found (PLS# 3816) at the base of a fence corner post and S87°38'08"W — with said fence line passing an iron pin found (PLS# 3816) at 1449.80 feet and continuing 2.82 feet for a overall total distance of 1452.62 feet to the POINT OF BEGINNING and containing 152.976 acres by survey.

This description prepared from a physical survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., Ky. R.L.S. #3118, dated the 9<sup>th</sup> day of May, 2011.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated November 11, 2011, of record in Deed Book 311, Page 567, in the Office of the Clerk of Hart County, Kentucky.

Laurel County, Kentucky :

Begin at a stake in the controlled fence row right of way of Daniel Boone Parkway on the north side of the dead end of Lovelace Road; thence N 68.00 W. 170 feet to a stake; thence N. 22.00 E. 547 feet to a stake in the south right of way of Kentucky Utility right of way; thence S. 38.30 E 254.2 feet with the right of way to a post; thence N. 55.30 E. 343 feet to a post; thence S. 39.00 E. 190 feet to a stake; thence same course S. 39.00 E. 45 feet to a point; thence S. 82.31 E. 235 feet to a stake in the original outside line; thence S. 3.30 W. 240 feet along the original line to a brace post in the controlled fence row of Daniel Boone Parkway; thence with the fence row of Daniel Boone Parkway 893.5 feet as it meanders, to the point of beginning containing 8.15 acres the same to be more or less.

THERE IS EXCEPTED AND NOT CONVEYED HEREIN that certain tract of land and the easement conveyed to Gene Nicholson and Judith Nicholson, husband and wife by deed dated the 8<sup>th</sup> day of November, 1980 of record in Deed Book 293, at page 163, records of the Laurel County Court Clerk's Office, and being more particularly described as follows:

Beginning at a pull post in the R/W fence of the Daniel Boone Parkway, also a corner to the C.T. Massey property, thence leaving the fence and with the Massey line, N 06.02 E. 181.0 feet to a 36" black oak, thence leaving the Massey line, N. 73.54 W. 174.8 feet to a 3" hickory, thence N. 57.00 W. 68.0 feet to a twin white oak & chestnut oak, thence S 45.46 W. 89.0 feet to a stake 20 feet from the C/L of an old road, thence S. 43.54 W. 317.5 feet to a stake in the R/W fence, thence with the R/W fence N. 86.54 E. 490.8 feet to the beginning corner. Containing 2.0 acres more or less by survey of Green L. Keith, Registered Land Surveyor No. 1901.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated December 22, 2010, of record in Deed Book 667, Page 229, in the Office of the Clerk of Laurel County, Kentucky.

Franklin County, Kentucky :

Beginning at an Iron pin on the right-of-way of U.S. Highway #460, corner to the National Distillers and running with said right-of-way line south 71 degrees 50 minutes west, a distance of 486 feet to a point opposite utility pole number 9834; thence north 25 degrees 30 minutes east 527 feet to a point on Elkhorn Creek, corner to National Distillers; thence south 17 degrees 00 minutes east 480 feet to the point of beginning, containing approximately two acres.

There is excepted therefrom however that portion of said property conveyed by Joe Pat Gaines, et al to Commonwealth of Kentucky by deed dated April 17, 1987 and of record in Deed Book 346, page 471, in the office of the Clerk of Franklin County, Kentucky.

Said property is more recently and particularly described as follows:

BEGINNING at an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments), on the northern edge of right-of-way of US Hwy 460, said pin being 73.57 feet north of centerline and being the southwest corner of the James B. Beam Distilling Co. (D.B. 346, Pg. 350), having Kentucky State Plane Coordinate System — North Zone Coordinates of N=259632.36, E=1479432.22, said pin also being approximately 333 feet northeast of the intersection of centerlines of Raven Crest Apartments Road and US Hwy 460, said iron pin set also being S74°24'43"W — 631.91 feet from a Damaged Right of Way monument found, said iron pin set being the POINT OF BEGINNING for this description; Thence leaving the line of the James B. Beam Distilling Co., (D.B. 346, Pg. 350) and with the north edge of right-of-way of US Hwy 460, S72°00'25"W — 5.76 feet to an iron pin set, said pin being 73.80 feet north of the centerline, S72°00'59"W — 29.93 feet to an iron pin set, said pin being 75.00 feet north of centerline and S74°39'44"W — 408.57 feet to an iron pin set, said pin being 95.75 feet north of the centerline of US Hwy 460 and being a common corner of JAN, LLC (D.B. 479, Pg. 640); Thence leaving the right-of-way of US Hwy 460 and with the line of JAN, LLC, N36°07'11"E — 559.43 feet to an iron pin set on the bank of Elkhorn Creek, said point being a common corner of the James B. Beam Distilling Co. (D.B. 346, Pg. 350) and JAN, LLC and being the northern most corner of the property being surveyed; Thence leaving the line of JAN, LLC and with the line of the James B. Beam Distilling Co., S16°26'23"E — 346.99 feet to the Point of Beginning and containing 1.777 acres by survey.

This description prepared from a physical survey conducted by AGE Engineering, Douglas G. Gooch Ky. R.L.S.#3118, dated the 6<sup>th</sup> day of October, 2010.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated December 28, 2010, of record in Deed Book 524, Page 376, in the Office of the Clerk of Franklin County, Kentucky.

Mercer County, Kentucky :

BEGINNING at an iron pin set (5/8" x 18" rebar with aluminum cap bearing PLS-3118, as will be typical for all set corner monuments) on the eastern edge of right-of-way of the Norfolk Southern Railway Company (D.B. 104, PG. 271, D.B. 104, PG. 280, D.B. 104, PG. 323) and being the Northwest Corner of Frederick Dempsey (D.B. 160, Pg. 273), said pin having Kentucky State Plane Coordinate System — South Zone Coordinates of N=2166662.24, E=1936109.81 lying in Mercer County, Kentucky, said point also being S05°28'37"W — 3162.76 feet from the Southeast Corner of the Curdsville Bridge Abutment over the Norfolk Southern Railway Company and being the Point of Beginning for this description; Thence leaving the corner of Dempsey and with the eastern edge of right-of-way of the Norfolk Southern Railway Company, along a curve to the left, having a radius of 2010.10 feet, having a chord direction of N28°05'03"E and a chord length of 384.86 feet to a point, N21°36'34"E — 32.90 feet to an iron pin set, N21°36'34"E — 268.84 feet to a point N20°36'32"E - 662.38 feet to an iron pin set, N20°13'14"E — 103.35 feet to a point N20°04'10"E — 88.92 feet to a point, N18°49'41"E — 110.75 feet to an iron pin set, along a curve to the left having a radius of 2010.10 feet having a chord direction of N01°07'03"E and a chord length of 1208.47 feet to an iron pin set, N17°06'41"W — 86.50 feet to a point, N19°02'37"W — 88.87 feet to a point, N20°01'53"W — 131.46 feet to a point and N21°11'24"W — 238.36 feet to an iron pin set, said pin being on the eastern edge of right-of-way of the Norfolk Southern Railway; Thence leaving said railroad and with a new line to the parent tract, N36°27'44"E — 39.74 — feet to an iron pin set, said pin being the Southwest Corner of Kentucky Utilities Company (D.B. 230, Pg. 201); Thence with the line of Kentucky Utilities Company (D.B. 230, Pg. 201), S52°10'06"E — crossing Hardin Heights Drive 226.73 feet to an iron pin set, S48°39'56"E — 32.12 feet to an iron pin found (KYTC), S53°10'45"E — 111.22 feet to an iron pin set, S49°16'35"E — 730.79 feet to an iron pin set, S25°44'27"E — 90.27 feet to an iron pin set, S15°06'22"E — 386.08 feet to an iron pin set, S20°30'30"E — 260.47 feet to an iron pin set, S03°24'21"E — 211.52 feet to an iron pin set, S34°16'49"E — 109.16 feet to an iron pin set, S46°46'12"E — 70.01 feet to an iron pin set, S70°49'20"E — 59.42 feet to an iron pin set, N85°27'56"E — 480.51 feet to an iron pin found with no ID Cap, N84°13'12"E — 468.44 feet to an iron pin set, N02°44'33"W — 5.00 feet to an iron pin set, N84°56'26"E — 361.18 feet to an iron pin set, S67°45'29"E — 47.32 feet to an iron pin set, S52°26'28"E — 527.44 feet to an iron pin set, said pin being on the southern line of Kentucky Utilities Company and being a corner of Hardin Heights, Inc. said pin being on the western line of Hardin Heights, Inc. (D.B. 130, Pg. 147, see also Plat of Hardin Heights Camp Sites Plat Slide A-69); Thence leaving the line of Kentucky Utilities Company and crossing Hardin Heights Drive with the line of Hardin Heights, Inc., S36°08'14"W — 12.01 feet to a mag nail set (1/4" x 2" Mag Nail set as will be typical for all Mag Nails set), said nail being a new corner of the parent tract, S51°06'46"E — 35.00 feet to a Mag Nail Set, S47°51'46"E — 50.00 feet to a Mag Nail Set, S42°51'46"E — 50.00 feet to an iron pin set, S37°51'46"E — 50.00 feet to an iron pin set, S32°51'46"E — 50.00 feet to an iron pin set, S27°51'46"E — 50.00 feet to a Mag Nail Set, S22°51'46"E — 50.00 feet to a Mag Nail Set, S17°51'46"E — 50.00 feet to an iron pin set, S12°51'46"E — 50.00 feet to an iron pin set, S07°51'46"E — 50.00 feet to an iron pin set, S02°51'46"E — 50.00 feet to an iron pin set, S02°08'14"W — 50.00 feet to an iron pin set, S04°36'20"W — 338.90 feet to an iron pin found (PLS# 3816), S26°28'46"W — 98.98 feet to an iron pin found (PLS# 3816), S47°50'27"W — 170.00 feet to an iron pin found (PLS# 3816), S60°08'28"W — 172.18 feet to an iron pin found (PLS# 3816), and S23°53'27"E — 39.86 feet to a 1" Iron Pipe Found, said pipe being a corner of the Hardin Heights, Inc. (D.B. 130, Pg. 147) and the Southwest corner of Lot 1 of Hardin Heights Camp Estates; Thence leaving the line of Hardin Heights, Inc. (D.B. 130, Pg. 147) and with the line of Lot 1 of Hardin Heights Camp Estates, S23°38'19"E — 204.33 feet to an iron pin set at elevation 760, said pin being N23°38'19"W — 5.11 feet from a found 1" Pipe; Thence leaving Lot 1 of Hardin Heights Camp Estates and with the line of Kentucky Utilities Company (D.B. 104, Pg. 318) and 760 elevation line, S79°31'40"W — 457.41 feet to an iron pin found (PLS# 3816), S58°56'55"W — 83.56 feet to an iron pin found (PLS# 3816), S51°40'58"W — 58.42 feet to an iron pin found (PLS# 3816),

S47°50'51"W — 22.05 feet to an iron pin found (PLS# 3816), S45°47'52"W — 138.57 feet to an iron pin found (PLS# 3816), S75°05'26"W — 95.47 feet to an iron pin found (PLS# 3816), S81°32'53"W — 488.43 feet to an iron pin found (PLS# 3816), S88°28'56"W — 209.89 feet to an iron pin found (PLS# 3816), S86°18'39"W — 122.17 feet to an iron pin found (PLS# 3816), and N83°26'18"W — 76.85 feet to an iron pin found (PLS# 3816), said pin being at the 760 Elevation and being a corner of Fredrick Dempsey (D.B. 160, Pg. 273); Thence leaving the 760 Elevation and with the line of Dempsey, N67°55'13"W — 61.50 feet to an iron pin found (PLS# 3816) in the centerline of the Creek, N30°57'02"W — 250.95 feet to an iron pin set, N16°11'02"W — 120.12 feet to an iron pin found (PLS# 3816), N48°20'38"W — 124.02 feet to an iron pin found (PLS# 3816), N38°06'58"W — 98.94 feet to an iron pin found (PLS# 3816) at the base of a fence corner post and S87°38'08"W — with said fence line passing an iron pin found (PLS# 3816) at 1449.80 feet and continuing 2.82 feet for a overall total distance of 1452.62 feet to the POINT OF BEGINNING and containing 152.976 acres by survey.

This description prepared from a physical survey conducted by Douglas G. Gooch, AGE Engineering Services, Inc., Ky. R.L.S.#3118, dated the 9<sup>th</sup> day of May, 2011.

Being the same property conveyed to Kentucky Utilities Company, a Kentucky corporation, by Deed dated June 23, 2011, of record in Deed Book 328, Page 7, in the Office of the Clerk of Mercer County, Kentucky.

**LOUISVILLE GAS AND ELECTRIC COMPANY****OFFICER'S CERTIFICATE**

(under Sections 201 and 301 of the Indenture, dated as of October 1, 2010)

**Establishing the Form and Certain Terms of the  
First Mortgage Bonds, 4.65% Series due 2043**

The undersigned Daniel K. Arbough, the Treasurer of LOUISVILLE GAS AND ELECTRIC COMPANY (the "Company"), in accordance with Sections 201 and 301 of the Indenture, dated as of October 1, 2010 (the "Original Indenture"), as amended and supplemented by various instruments including Supplemental Indenture No. 3, dated as of November 1, 2013 (as so amended and supplemented, the "Indenture"), of the Company to The Bank of New York Mellon, trustee (the "Trustee"), does hereby establish, for the Securities of Series No. 4, established in Supplemental Indenture No. 3, the terms and characteristics set forth in this Officer's Certificate (capitalized terms used herein and not defined herein having the meanings specified in the Original Indenture).

**PART I**

Set forth below in this Part I are the terms and characteristics of the aforesaid series of Securities referred to in clauses (a) through (u) in the third paragraph of Section 301 of the Indenture (the lettered clauses set forth herein corresponding to such clauses in said Section 301):

- (a) the title of the Securities of such series shall be "First Mortgage Bonds, 4.65% Series due 2043" (the "Bonds"), and the date of the Bonds shall be November 14, 2013;
  - (b) the aggregate principal amount of Bonds which may be authenticated and delivered under the Indenture shall be limited as and to the extent set forth in Supplemental Indenture No. 3 and any subsequent supplemental indenture relating thereto;
  - (c) interest on the Bonds shall be payable to the Person or Persons in whose names the Bonds are registered at the close of business on the Regular Record Date for such interest, except as otherwise expressly provided in the form of Bond attached hereto and hereby authorized and approved;
  - (d) the principal of the Bonds shall be due and payable on November 15, 2043; and the Company shall not have the right to extend the Maturity of the Bonds as contemplated in Section 301(d) of the Indenture;
  - (e) the Bonds shall bear interest at a fixed rate of 4.65% per annum; interest on the Bonds shall accrue from the date or dates specified in the form of Bond attached hereto as Exhibit A; the Interest Payment Dates for the Bonds shall be May 15 and November 15 of each year, commencing May 15, 2014; the Regular Record Date for the interest payable on any Interest Payment Date with respect to the Bonds shall be the May 1 or November 1 (whether or not a Business Day) immediately preceding such Interest Payment Date; and the Company shall not have any right to extend any interest payment periods for the Bonds as contemplated in Sections 301(e) and 312 of the Indenture;
  - (f) the Corporate Trust Office of the Trustee in New York, New York shall be the office or agency of the Company at which the principal of and any premium and interest on the
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Bonds at Maturity shall be payable, at which registration of transfers and exchanges of the Bonds may be effected and at which notices and demands to or upon the Company in respect of the Bonds and the Indenture may be served; and the Trustee will initially be the Security Registrar and the Paying Agent for the Bonds; provided, however, that the Company reserves the right to change, by one or more Officer's Certificates, any such office or agency and such agent;

- (g) the Bonds shall be redeemable, in whole or in part, at the option of the Company as and to the extent provided, and at the price or prices set forth, in Exhibit A hereto;
- (h) inapplicable;
- (i) the Bonds shall be issuable in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof;
- (j) inapplicable;
- (k) inapplicable;
- (l) inapplicable;
- (m) inapplicable;
- (n) inapplicable;
- (o) inapplicable;
- (p) the only obligations or instruments which shall be considered Eligible Obligations in respect of the Bonds shall be Government Obligations; and the provisions of Section 901 of the Original Indenture and Section 201 of Supplemental Indenture No. 3 shall apply to the Bonds;
- (q) reference is made to Part II of this Officer's Certificate;
- (r) reference is made to clause (q) above; no service charge shall be made for the registration of transfer or exchange of the Bonds; provided, however, that the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the exchange or transfer;
- (s) inapplicable;
- (t) inapplicable; and
- (u) except as otherwise determined by the proper officers of the Company and established in one or more Officer's Certificates supplemental to this Officer's Certificate, the Bonds shall be substantially in the form of the form of Bond attached hereto as Exhibit A, which form is hereby authorized and approved, and shall have such further terms as are set forth in such form.

## PART II

### Section 1. Definitions .

For all purposes of this Officer's Certificate, the terms listed below shall have the meanings indicated, unless otherwise expressly provided or unless the context otherwise requires:

" *Certificated Bond* " means a certificated Bond registered in the name of the registered holder thereof, substantially in the form of Exhibit A hereto except that such Bond shall not bear the Global Bond Legend.

" *Custodian* " means the Trustee, in its capacity as custodian for the Depository with respect to the Bonds in global form, or any successor entity thereto.

" *Depository* " means the person designated or acting as a securities depository for the Bonds.

" *DTC* " means The Depository Trust Company.

" *Global Bond* " means a Bond substantially in the form of Exhibit A hereto and bearing the Global Bond Legend.

" *Global Bond Legend* " means the legend as to the global nature of a Bond as set forth in Exhibit B hereto, which is required to be placed on all Global Bonds.

### Section 2. Global Bonds .

(a) *General* . The Bonds are initially to be issued and delivered in global, fully registered form, registered in the name of Cede & Co., as nominee for DTC, which is hereby designated as the Depository. Such Global Bonds shall not be transferable, nor shall any purported transfer be registered, except as follows:

(i) Global Bonds may be transferred in whole, and appropriate registration of transfer effected, by the Depository to a nominee thereof, or by any nominee of the Depository to any other nominee thereof, or by the Depository or any nominee thereof to any Depository or any nominee thereof; and

(ii) Global Bonds may be transferred in whole, with appropriate registration of transfer effected and Certificated Bonds issued and delivered, to the beneficial holders of the Global Bonds if:

(A) The Depository shall have notified the Company and the Trustee that (A) it is unwilling or unable to continue to act as securities depository with respect to such bonds or (B) it is no longer a clearing agency registered under the Securities Exchange Act of 1934, as amended, and, in either case, the Trustee shall not have been notified by the Company within one hundred twenty (120) days of the receipt of such notice from the Depository of the identity of a successor Depository; or

(B) the Company shall have delivered to the Trustee a written order to the effect that, on and after a date specified therein, the Bonds are no longer to be held in global form by a Depository (subject to the procedures of the Depository).

In the event of a transfer of Global Bonds as contemplated in clause (ii) above, the Company will execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of Certificated Bonds and upon surrender of such Global Bonds, will authenticate and deliver, Certificated Bonds in an aggregate principal amount equal to the principal amount of such Global Bonds, such Certificated Bonds to be registered in the names provided by the Depository.

(b) *Principal Amount of Global Bonds* . Each Global Bond shall represent such of the outstanding Bonds as shall be specified therein, and the aggregate principal amount of outstanding Bonds represented thereby may from time to time be reduced to reflect redemptions thereof. Any notation on a Global Bond to reflect the amount of any decrease in the aggregate principal amount of outstanding Bonds represented thereby resulting from such redemption shall be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by or on behalf of the registered holder thereof and with the applicable procedures of the Depository.

(c) *Disclaimers* . Neither the Company nor the Trustee shall have any responsibility or obligation to any beneficial owner of a Global Bond, any participant in the Depository or any other Person with respect to the accuracy of, or for maintaining, supervising or reviewing, the records of the Depository or its nominee or of any participant therein or member thereof, with respect to any ownership interest in the Global Bonds or with respect to the delivery to any participant, member, beneficial owner or other Person (other than the Depository) of any notice (including any notice of redemption) or the payment of any amount, on or with respect to such Global Bonds. All notices and communications required to be given to the Holders and all payments on Global Bonds required to be made to Holders shall be given or made only to or upon the order of the registered Holders (which shall be the Depository or its nominee in the case of a Global Bond). The rights of beneficial owners in any Global Bond shall be exercised only through the Depository subject to the applicable rules and procedures of the Depository. The Company and the Trustee may rely conclusively and shall be fully protected in relying upon information furnished by the Depository with respect to its members, participants and any beneficial owners. The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under the Indenture or under applicable law with respect to any transfer of any interest in any Global Bond (including any transfers between or among Depository participants, members or beneficial owners in any Global Bond) 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 the Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

IN WITNESS WHEREOF, I have executed this Officer's Certificate this 14<sup>th</sup> day of November, 2013.

/s/ Daniel K. Arbough

Name: Daniel K. Arbough

Title: Treasurer

/s/ Dorothy E. O'Brien

Name: Dorothy E. O'Brien

Title: Vice President and Deputy General Counsel,  
Legal and Environmental Affairs

---

[FORM OF BOND]

No.

CUSIP No.

Principal Amount of \$

**LOUISVILLE GAS AND ELECTRIC COMPANY  
FIRST MORTGAGE BOND, 4.65% SERIES DUE 2043**

LOUISVILLE GAS AND ELECTRIC COMPANY, a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (herein referred to as the "Company", which term includes any Successor Corporation under the Indenture referred to below), for value received, hereby promises to pay to

or to its registered assigns, the principal sum of

MILLION (\$ ) Dollars

on November 15, 2043 (the "Stated Maturity Date"), and to pay interest on said principal sum semi-annually in arrears on May 15 and November 15 of each year (each, an "Interest Payment Date"), at the rate of 4.65% per annum until the principal hereof is paid or made available for payment. The first Interest Payment Date for the Securities of this series shall be May 15, 2014, and interest on the Securities of this series will accrue from and including November 14, 2013, to and excluding the first Interest Payment Date, and thereafter will accrue from and including the last Interest Payment Date to which interest on the Securities of this series has been paid or duly provided for. No interest will accrue on the Securities of this series with respect to the day on which the Securities are paid.

**CERTIFICATE OF AUTHENTICATION**

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

Date of Authentication:

, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

In the event that any Interest Payment Date is not a Business Day, then payment of interest payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of such delay) with the same force and effect as if made on the Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the May 1 or November 1, whether or not a Business Day (each such date, a "Regular Record Date"), immediately preceding such Interest Payment Date, except that interest payable at Maturity will be payable to the Person to whom principal shall be paid. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture referred to herein. Interest on this Security will be computed on the basis of a 360-day year of twelve 30-day months.

Payment of the principal of and premium, if any, and interest at Maturity on this Security shall be made upon presentation of this Security at the corporate trust office of The Bank of New York Mellon in New York, New York, or at such other office or agency as may be designated for such purpose by the Company from time to time, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts, and payment of interest, if any, on this Security (other than interest payable at Maturity) shall be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register, provided that if such Person is a securities depository, such payment may be made by such other means in lieu of check as shall be agreed upon by the Company, the Trustee and such Person.

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and issuable in one or more series under an Indenture, dated as of October 1, 2010 (herein called the "Original Indenture" and, together with any amendments or supplements thereto and the Officer's Certificate establishing the terms of the Securities of this series, the "Indenture," which term shall have the meaning assigned to it in the Original Indenture), between the Company and The Bank of New York Mellon, as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture, including Supplemental Indenture No. 3 thereto, for a statement of the property mortgaged, pledged and held in trust, the nature and extent of the security, the conditions upon which the lien of the Indenture may be released and the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. The acceptance of this Security by the Holder hereof shall be deemed to constitute the consent and agreement by such Holder to all of the terms and provisions of the Indenture. This Security is one of the series designated on the face hereof.

Prior to May 15, 2043, this Security is subject to redemption at the option of the Company, in whole at any time or in part from time to time, at a redemption price equal to the greater of:

- (a) 100% of the principal amount of this Security to be so redeemed; and
- (b) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on the principal amount of this Security to be so redeemed (not including any portion of such payments of interest accrued to the

date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 15 basis points,

plus, in either of the above cases, accrued and unpaid interest to the date of redemption.

Promptly after the calculation thereof, the Company shall give the Trustee written notice of the redemption price for the foregoing redemption. The Trustee shall have no responsibility for any such calculation.

On or after May 15, 2043, this Security is subject to redemption at the option of the Company, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of this Security to be so redeemed, plus accrued and unpaid interest to the date of redemption.

As used herein:

“*Adjusted Treasury Rate*” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

“*Comparable Treasury Issue*” means the United States Treasury security selected by the Quotation Agent as having an actual or interpolated maturity comparable to the remaining term to the Stated Maturity Date of this Security that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of this Security.

“*Comparable Treasury Price*” means, with respect to any redemption date:

- a) the average of five Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or
- b) if the Quotation Agent obtains fewer than five Reference Treasury Dealer Quotations, the average of all Reference Treasury Dealer Quotations so received.

“*Quotation Agent*” means one of the Reference Treasury Dealers appointed by the Company.

“*Reference Treasury Dealer*” means:

- a) each of Citigroup Global Markets Inc. and RBS Securities Inc. (or their respective affiliates that are Primary Treasury Dealers, as defined below), a Primary Treasury Dealer selected by SunTrust Robinson Humphrey, Inc. and a Primary Treasury Dealer selected by US Bancorp Investments, Inc., or their respective successors, unless any of them ceases to be a primary U.S. Government securities dealer in the United States (a “Primary Treasury Dealer”), in which case the Company shall substitute another Primary Treasury Dealer; and

b) any other Primary Treasury Dealer selected by the Company (after consultation with the Quotation Agent).

“*Reference Treasury Dealer Quotations*” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount), as provided to the Quotation Agent by that Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

Notice of redemption shall be given by mail to Holders of Securities, not less than 30 days nor more than 60 days prior to the date fixed for redemption, all as provided in the Indenture. As provided in the Indenture, notice of redemption at the election of the Company as aforesaid may state that such redemption shall be conditional upon the receipt by the applicable Paying Agent or Agents of money sufficient to pay the principal of and premium, if any, and interest, on this Security on or prior to the date fixed for such redemption; a notice of redemption so conditioned shall be of no force or effect if such money is not so received and, in such event, the Company shall not be required to redeem this Security.

In the event of redemption of this Security in part only, a new Security or Securities of this series of like tenor representing the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default with respect to the Securities of this series shall occur and be continuing, the principal of this Security may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Security upon compliance with certain conditions set forth in the Indenture.

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 Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of all series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of all series affected at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security 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 Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless (a) such Holder shall have previously given the Trustee written notice of a continuing Event of Default; (b) the Holders of 25% in aggregate principal amount of the Outstanding Securities shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity; (c) the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Outstanding Securities a direction inconsistent with such request; and (d) shall have failed to institute any such proceeding for 60 days after receipt of such notice, request and offer of indemnity. The foregoing



shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

The Securities of this series are issuable only in registered form without coupons, and in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company for such purpose, duly endorsed by, or accompanied by a written instrument or transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and Tranche, of authorized denominations and of like tenor and aggregate principal amount, shall be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series and Tranche are exchangeable for a like aggregate principal amount of Securities of the same series and Tranche of any authorized denominations, as requested by the Holder surrendering the same, and of like tenor upon surrender of the Security or Securities to be exchanged at the office or agency of the Company for such purpose.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Company shall not be required to execute and the Security Registrar shall not be required to register the transfer of or exchange of (a) Securities of this series during a period of 15 days immediately preceding the date notice is given identifying the serial numbers of the Securities of this series called for redemption or (b) any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the absolute owner hereof for all purposes (subject to Sections 305 and 307 of the Indenture), whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture and this Security shall be governed by and construed in accordance with the laws of the State of New York (including, without limitation, Section 5-1401 of the New York General Obligations Law or any successor to such statute), except to the extent that the Trust Indenture Act shall be applicable and except to the extent that the law of the any other jurisdiction shall mandatorily govern.

As used herein, "Business Day," means any day, other than a Saturday or Sunday, that is not a day on which banking institutions or trust companies in The City of New York, New York, or other city in which a paying agent for this Security is located, are generally authorized or required by law, regulation or executive order to remain closed. All other terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

As provided in the Indenture, no recourse shall be had for the payment of the principal of or premium, if any, or interest on any Securities, or any part thereof, or for any claim based thereon or otherwise in respect thereof, or of the indebtedness represented thereby, or upon any obligation, covenant or agreement under the Indenture, against, and no personal liability whatsoever shall attach to, or be incurred by, any incorporator, stockholder, member, officer or director, as such, past, present or future of the Company or of any predecessor or successor corporation (either directly or through the Company or a predecessor or successor corporation), whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that the Indenture and all the Securities are solely corporate obligations and that any such personal liability is hereby expressly waived and released as a condition of, and as part of the consideration for, the execution of the Indenture and the issuance of the Securities.

Unless the certificate of authentication hereon has been executed by the Trustee referred to herein by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Date of Security:

LOUISVILLE GAS AND ELECTRIC COMPANY

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

Name:  
Title:

\_\_\_\_\_  
Name:

Title:

**ASSIGNMENT FORM**

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

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[please insert social security or other identifying number of assignee]

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[please print or typewrite name and address of assignee]

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the within Security of LOUISVILLE GAS AND ELECTRIC COMPANY and does hereby irrevocably constitute and appoint \_\_\_\_\_, Attorney, to transfer said Security on the books of the within-mentioned Company, with full power of substitution in the premises.

Dated: \_\_\_\_\_

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[signature of assignee]

Notice: The signature to this assignment must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatsoever.

**SIGNATURE GUARANTEE**

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(Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.)

**GLOBAL BOND LEGEND**

“THIS IS A GLOBAL BOND HELD BY OR ON BEHALF OF THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS BOND) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO THE INDENTURE, (II) THIS GLOBAL BOND MAY BE TRANSFERRED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2(a) OF PART II OF THE OFFICER’S CERTIFICATE ESTABLISHING THIS SERIES OF BONDS UNDER THE INDENTURE AND (III) THIS GLOBAL BOND MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 309 OF THE INDENTURE.”

In addition, if the Depositary shall be DTC, each Global Bond shall bear the following legend:

“UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND 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 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 A PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

**KENTUCKY UTILITIES COMPANY****OFFICER'S CERTIFICATE**

(under Sections 201 and 301 of the Indenture, dated as of October 1, 2010)

**Establishing the Form and Certain Terms of the  
First Mortgage Bonds, 4.65% Series due 2043**

The undersigned Daniel K. Arbough, the Treasurer of KENTUCKY UTILITIES COMPANY (the "Company"), in accordance with Sections 201 and 301 of the Indenture, dated as of October 1, 2010 (the "Original Indenture"), as amended and supplemented by various instruments including Supplemental Indenture No. 3, dated as of November 1, 2013 (as so amended and supplemented, the "Indenture"), of the Company to The Bank of New York Mellon, trustee (the "Trustee"), does hereby establish, for the Securities of Series No. 5, established in Supplemental Indenture No. 3, the terms and characteristics set forth in this Officer's Certificate (capitalized terms used herein and not defined herein having the meanings specified in the Original Indenture).

**PART I**

Set forth below in this Part I are the terms and characteristics of the aforesaid series of Securities referred to in clauses (a) through (u) in the third paragraph of Section 301 of the Indenture (the lettered clauses set forth herein corresponding to such clauses in said Section 301):

- (a) the title of the Securities of such series shall be "First Mortgage Bonds, 4.65% Series due 2043" (the "Bonds"), and the date of the Bonds shall be November 14, 2013;
  - (b) the aggregate principal amount of Bonds which may be authenticated and delivered under the Indenture shall be limited as and to the extent set forth in Supplemental Indenture No. 3 and any subsequent supplemental indenture relating thereto;
  - (c) interest on the Bonds shall be payable to the Person or Persons in whose names the Bonds are registered at the close of business on the Regular Record Date for such interest, except as otherwise expressly provided in the form of Bond attached hereto and hereby authorized and approved;
  - (d) the principal of the Bonds shall be due and payable on November 15, 2043; and the Company shall not have the right to extend the Maturity of the Bonds as contemplated in Section 301(d) of the Indenture;
  - (e) the Bonds shall bear interest at a fixed rate of 4.65% per annum; interest on the Bonds shall accrue from the date or dates specified in the form of Bond attached hereto as Exhibit A; the Interest Payment Dates for the Bonds shall be May 15 and November 15 of each year, commencing May 15, 2014; the Regular Record Date for the interest payable on any Interest Payment Date with respect to the Bonds shall be the May 1 or November 1 (whether or not a Business Day) immediately preceding such Interest Payment Date; and the Company shall not have any right to extend any interest payment periods for the Bonds as contemplated in Sections 301(e) and 312 of the Indenture;
  - (f) the Corporate Trust Office of the Trustee in New York, New York shall be the office or agency of the Company at which the principal of and any premium and interest on the
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Bonds at Maturity shall be payable, at which registration of transfers and exchanges of the Bonds may be effected and at which notices and demands to or upon the Company in respect of the Bonds and the Indenture may be served; and the Trustee will initially be the Security Registrar and the Paying Agent for the Bonds; provided, however, that the Company reserves the right to change, by one or more Officer's Certificates, any such office or agency and such agent;

- (g) the Bonds shall be redeemable, in whole or in part, at the option of the Company as and to the extent provided, and at the price or prices set forth, in Exhibit A hereto;
- (h) inapplicable;
- (i) the Bonds shall be issuable in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof;
- (j) inapplicable;
- (k) inapplicable;
- (l) inapplicable;
- (m) inapplicable;
- (n) inapplicable;
- (o) inapplicable;
- (p) the only obligations or instruments which shall be considered Eligible Obligations in respect of the Bonds shall be Government Obligations; and the provisions of Section 901 of the Original Indenture and Section 201 of Supplemental Indenture No. 3 shall apply to the Bonds;
- (q) reference is made to Part II of this Officer's Certificate;
- (r) reference is made to clause (q) above; no service charge shall be made for the registration of transfer or exchange of the Bonds; provided, however, that the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the exchange or transfer;
- (s) inapplicable;
- (t) inapplicable; and
- (u) except as otherwise determined by the proper officers of the Company and established in one or more Officer's Certificates supplemental to this Officer's Certificate, the Bonds shall be substantially in the form of the form of Bond attached hereto as Exhibit A, which form is hereby authorized and approved, and shall have such further terms as are set forth in such form.

## PART II

### Section 1. Definitions .

For all purposes of this Officer's Certificate, the terms listed below shall have the meanings indicated, unless otherwise expressly provided or unless the context otherwise requires:

"*Certificated Bond*" means a certificated Bond registered in the name of the registered holder thereof, substantially in the form of Exhibit A hereto except that such Bond shall not bear the Global Bond Legend.

"*Custodian*" means the Trustee, in its capacity as custodian for the Depository with respect to the Bonds in global form, or any successor entity thereto.

"*Depository*" means the person designated or acting as a securities depository for the Bonds.

"*DTC*" means The Depository Trust Company.

"*Global Bond*" means a Bond substantially in the form of Exhibit A hereto and bearing the Global Bond Legend.

"*Global Bond Legend*" means the legend as to the global nature of a Bond as set forth in Exhibit B hereto, which is required to be placed on all Global Bonds.

### Section 2. Global Bonds .

(a) *General* . The Bonds are initially to be issued and delivered in global, fully registered form, registered in the name of Cede & Co., as nominee for DTC, which is hereby designated as the Depository. Such Global Bonds shall not be transferable, nor shall any purported transfer be registered, except as follows:

(i) Global Bonds may be transferred in whole, and appropriate registration of transfer effected, by the Depository to a nominee thereof, or by any nominee of the Depository to any other nominee thereof, or by the Depository or any nominee thereof to any Depository or any nominee thereof; and

(ii) Global Bonds may be transferred in whole, with appropriate registration of transfer effected and Certificated Bonds issued and delivered, to the beneficial holders of the Global Bonds if:

(A) The Depository shall have notified the Company and the Trustee that (A) it is unwilling or unable to continue to act as securities depository with respect to such bonds or (B) it is no longer a clearing agency registered under the Securities Exchange Act of 1934, as amended, and, in either case, the Trustee shall not have been notified by the Company within one hundred twenty (120) days of the receipt of such notice from the Depository of the identity of a successor Depository; or

(B) the Company shall have delivered to the Trustee a written order to the effect that, on and after a date specified therein, the Bonds are no longer to be held in global form by a Depository (subject to the procedures of the Depository).



In the event of a transfer of Global Bonds as contemplated in clause (ii) above, the Company will execute, and the Trustee, upon receipt of a Company Order for the authentication and delivery of Certificated Bonds and upon surrender of such Global Bonds, will authenticate and deliver, Certificated Bonds in an aggregate principal amount equal to the principal amount of such Global Bonds, such Certificated Bonds to be registered in the names provided by the Depository.

(b) *Principal Amount of Global Bonds* . Each Global Bond shall represent such of the outstanding Bonds as shall be specified therein, and the aggregate principal amount of outstanding Bonds represented thereby may from time to time be reduced to reflect redemptions thereof. Any notation on a Global Bond to reflect the amount of any decrease in the aggregate principal amount of outstanding Bonds represented thereby resulting from such redemption shall be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by or on behalf of the registered holder thereof and with the applicable procedures of the Depository.

(c) *Disclaimers* . Neither the Company nor the Trustee shall have any responsibility or obligation to any beneficial owner of a Global Bond, any participant in the Depository or any other Person with respect to the accuracy of, or for maintaining, supervising or reviewing, the records of the Depository or its nominee or of any participant therein or member thereof, with respect to any ownership interest in the Global Bonds or with respect to the delivery to any participant, member, beneficial owner or other Person (other than the Depository) of any notice (including any notice of redemption) or the payment of any amount, on or with respect to such Global Bonds. All notices and communications required to be given to the Holders and all payments on Global Bonds required to be made to Holders shall be given or made only to or upon the order of the registered Holders (which shall be the Depository or its nominee in the case of a Global Bond). The rights of beneficial owners in any Global Bond shall be exercised only through the Depository subject to the applicable rules and procedures of the Depository. The Company and the Trustee may rely conclusively and shall be fully protected in relying upon information furnished by the Depository with respect to its members, participants and any beneficial owners. The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under the Indenture or under applicable law with respect to any transfer of any interest in any Global Bond (including any transfers between or among Depository participants, members or beneficial owners in any Global Bond) 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 the Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

IN WITNESS WHEREOF, I have executed this Officer's Certificate this 14<sup>th</sup> day of November, 2013.

/s/ Daniel K. Arbough

Name: Daniel K. Arbough

Title: Treasurer

/s/ Dorothy E. O'Brien

Name: Dorothy E. O'Brien

Title: Vice President and Deputy General Counsel,  
Legal and Environmental Affairs

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[FORM OF BOND]

No.

CUSIP No.

Principal Amount of \$

KENTUCKY UTILITIES COMPANY

FIRST MORTGAGE BOND, 4.65% SERIES DUE 2043

KENTUCKY UTILITIES COMPANY, a corporation duly organized and existing under the laws of the Commonwealths of Kentucky and Virginia (herein referred to as the "Company", which term includes any Successor Corporation under the Indenture referred to below), for value received, hereby promises to pay to

or to its registered assigns, the principal sum of

MILLION (\$ ) Dollars

on November 15, 2043 (the "Stated Maturity Date"), and to pay interest on said principal sum semi-annually in arrears on May 15 and November 15 of each year (each, an "Interest Payment Date"), at the rate of 4.65% per annum until the principal hereof is paid or made available for payment. The first Interest Payment Date for the Securities of this series shall be May 15, 2014, and interest on the Securities of this series will accrue from and including November 14, 2013, to and excluding the first Interest Payment Date, and thereafter will accrue from and including the last Interest Payment Date to which interest on the Securities of this series has been paid or duly provided for. No interest will accrue on the Securities of this series with respect to the day on which the Securities are paid.

CERTIFICATE OF AUTHENTICATION

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

Date of Authentication:

, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

In the event that any Interest Payment Date is not a Business Day, then payment of interest payable on such date will be made on the next succeeding day which is a Business Day (and without any interest or other payment in respect of such delay) with the same force and effect as if made on the Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the May 1 or November 1, whether or not a Business Day (each such date, a "Regular Record Date"), immediately preceding such Interest Payment Date, except that interest payable at Maturity will be payable to the Person to whom principal shall be paid. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture referred to herein. Interest on this Security will be computed on the basis of a 360-day year of twelve 30-day months.

Payment of the principal of and premium, if any, and interest at Maturity on this Security shall be made upon presentation of this Security at the corporate trust office of The Bank of New York Mellon in New York, New York, or at such other office or agency as may be designated for such purpose by the Company from time to time, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts, and payment of interest, if any, on this Security (other than interest payable at Maturity) shall be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register, provided that if such Person is a securities depository, such payment may be made by such other means in lieu of check as shall be agreed upon by the Company, the Trustee and such Person.

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and issuable in one or more series under an Indenture, dated as of October 1, 2010 (herein called the "Original Indenture" and, together with any amendments or supplements thereto and the Officer's Certificate establishing the terms of the Securities of this series, the "Indenture," which term shall have the meaning assigned to it in the Original Indenture), between the Company and The Bank of New York Mellon, as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture, including Supplemental Indenture No. 3 thereto, for a statement of the property mortgaged, pledged and held in trust, the nature and extent of the security, the conditions upon which the lien of the Indenture may be released and the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. The acceptance of this Security by the Holder hereof shall be deemed to constitute the consent and agreement by such Holder to all of the terms and provisions of the Indenture. This Security is one of the series designated on the face hereof.

Prior to May 15, 2043, this Security is subject to redemption at the option of the Company, in whole at any time or in part from time to time, at a redemption price equal to the greater of:

- (a) 100% of the principal amount of this Security to be so redeemed; and
- (b) as determined by the Quotation Agent, the sum of the present values of the remaining scheduled payments of principal and interest on the principal amount of this Security to be so redeemed (not including any portion of such payments of interest accrued to the

date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 15 basis points,

plus, in either of the above cases, accrued and unpaid interest to the date of redemption.

Promptly after the calculation thereof, the Company shall give the Trustee written notice of the redemption price for the foregoing redemption. The Trustee shall have no responsibility for any such calculation.

On or after May 15, 2043, this Security is subject to redemption at the option of the Company, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount of this Security to be so redeemed, plus accrued and unpaid interest to the date of redemption.

As used herein:

“*Adjusted Treasury Rate*” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

“*Comparable Treasury Issue*” means the United States Treasury security selected by the Quotation Agent as having an actual or interpolated maturity comparable to the remaining term to the Stated Maturity Date of this Security that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of this Security.

“*Comparable Treasury Price*” means, with respect to any redemption date:

- a) the average of five Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or
- b) if the Quotation Agent obtains fewer than five Reference Treasury Dealer Quotations, the average of all Reference Treasury Dealer Quotations so received.

“*Quotation Agent*” means one of the Reference Treasury Dealers appointed by the Company.

“*Reference Treasury Dealer*” means:

- a) each of BNP Paribas Securities Corp., Citigroup Global Markets Inc. and Goldman Sachs & Co. (or their respective affiliates that are Primary Treasury Dealers, as defined below) and a Primary Treasury Dealer selected by Mitsubishi UFJ Securities (USA), Inc., or their respective successors, unless any of them ceases to be a primary U.S. Government securities dealer in the United States (a “Primary Treasury Dealer”), in which case the Company shall substitute another Primary Treasury Dealer; and

b) any other Primary Treasury Dealer selected by the Company (after consultation with the Quotation Agent).

“*Reference Treasury Dealer Quotations*” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount), as provided to the Quotation Agent by that Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

Notice of redemption shall be given by mail to Holders of Securities, not less than 30 days nor more than 60 days prior to the date fixed for redemption, all as provided in the Indenture. As provided in the Indenture, notice of redemption at the election of the Company as aforesaid may state that such redemption shall be conditional upon the receipt by the applicable Paying Agent or Agents of money sufficient to pay the principal of and premium, if any, and interest, on this Security on or prior to the date fixed for such redemption; a notice of redemption so conditioned shall be of no force or effect if such money is not so received and, in such event, the Company shall not be required to redeem this Security.

In the event of redemption of this Security in part only, a new Security or Securities of this series of like tenor representing the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

If an Event of Default with respect to the Securities of this series shall occur and be continuing, the principal of this Security may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Security upon compliance with certain conditions set forth in the Indenture.

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 Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of all series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of all series affected at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security 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 Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless (a) such Holder shall have previously given the Trustee written notice of a continuing Event of Default; (b) the Holders of 25% in aggregate principal amount of the Outstanding Securities shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity; (c) the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Outstanding Securities a direction inconsistent with such request; and (d) shall have failed to institute any such proceeding for 60 days after receipt of such notice, request and offer of indemnity. The foregoing

shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

The Securities of this series are issuable only in registered form without coupons, and in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company for such purpose, duly endorsed by, or accompanied by a written instrument or transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and Tranche, of authorized denominations and of like tenor and aggregate principal amount, shall be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series and Tranche are exchangeable for a like aggregate principal amount of Securities of the same series and Tranche of any authorized denominations, as requested by the Holder surrendering the same, and of like tenor upon surrender of the Security or Securities to be exchanged at the office or agency of the Company for such purpose.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Company shall not be required to execute and the Security Registrar shall not be required to register the transfer of or exchange of (a) Securities of this series during a period of 15 days immediately preceding the date notice is given identifying the serial numbers of the Securities of this series called for redemption or (b) any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the absolute owner hereof for all purposes (subject to Sections 305 and 307 of the Indenture), whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture and this Security shall be governed by and construed in accordance with the laws of the State of New York (including, without limitation, Section 5-1401 of the New York General Obligations Law or any successor to such statute), except to the extent that the Trust Indenture Act shall be applicable and except to the extent that the law of the any other jurisdiction shall mandatorily govern.

As used herein, "Business Day," means any day, other than a Saturday or Sunday, that is not a day on which banking institutions or trust companies in The City of New York, New York, or other city in which a paying agent for this Security is located, are generally authorized or required by law, regulation or executive order to remain closed. All other terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

As provided in the Indenture, no recourse shall be had for the payment of the principal of or premium, if any, or interest on any Securities, or any part thereof, or for any claim based thereon or otherwise in respect thereof, or of the indebtedness represented thereby, or upon any obligation, covenant or agreement under the Indenture, against, and no personal liability whatsoever shall attach to, or be incurred by, any incorporator, stockholder, member, officer or director, as such, past, present or future of the Company or of any predecessor or successor corporation (either directly or through the Company or a predecessor or successor corporation), whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that the Indenture and all the Securities are solely corporate obligations and that any such personal liability is hereby expressly waived and released as a condition of, and as part of the consideration for, the execution of the Indenture and the issuance of the Securities.



Unless the certificate of authentication hereon has been executed by the Trustee referred to herein by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Date of Security:

KENTUCKY UTILITIES COMPANY

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

Name:  
Title:

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

A-7

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**ASSIGNMENT FORM**

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

---

[please insert social security or other identifying number of assignee]

---

[please print or typewrite name and address of assignee]

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the within Security of KENTUCKY UTILITIES COMPANY and does hereby irrevocably constitute and appoint  
, Attorney, to transfer said Security on the books of the within-mentioned Company, with full power of substitution in the premises.

Dated: \_\_\_\_\_

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[signature of assignee]

Notice: The signature to this assignment must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatsoever.

**SIGNATURE GUARANTEE**

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(Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.)

**GLOBAL BOND LEGEND**

“THIS IS A GLOBAL BOND HELD BY OR ON BEHALF OF THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS BOND) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO THE INDENTURE, (II) THIS GLOBAL BOND MAY BE TRANSFERRED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2(a) OF PART II OF THE OFFICER’S CERTIFICATE ESTABLISHING THIS SERIES OF BONDS UNDER THE INDENTURE AND (III) THIS GLOBAL BOND MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 309 OF THE INDENTURE.”

In addition, if the Depositary shall be DTC, each Global Bond shall bear the following legend:

“UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND 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 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 A PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

[LG&amp;E Letterhead]

November 14, 2013

Louisville Gas and Electric Company  
220 West Main Street  
Louisville, Kentucky 40202

Ladies and Gentlemen:

I am Vice President and Deputy General Counsel, Legal and Environmental Affairs of Louisville Gas and Electric Company, a Kentucky corporation (the "Company"). In this capacity, I have acted as counsel to the Company in connection with the issuance and sale of \$250,000,000 in aggregate principal amount of the Company's First Mortgage Bonds, 4.65% Series due 2043 (the "Bonds"). The Bonds are covered by the Registration Statement on Form S-3 (Registration No. 333-180410-01, the "Registration Statement"), filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933 (the "Act"), and related prospectus, dated March 28, 2012, as supplemented by the prospectus supplement dated November 6, 2013, relating to the offer and sale of the Bonds (as so supplemented, the "Prospectus").

The Bonds are being issued under an Indenture, dated as of October 1, 2010, of the Company to The Bank of New York Mellon, as trustee (the "Trustee"), as heretofore amended and supplemented and as further supplemented by Supplemental Indenture No. 3 (the "Supplemental Indenture"), dated as of November 1, 2013, providing for the Bonds (such Indenture, as so supplemented, being referred to herein as the "Indenture"). The Bonds are being sold pursuant to the Underwriting Agreement, dated November 6, 2013 (the "Underwriting Agreement"), among the Company and Citigroup Global Markets Inc., RBS Securities Inc., SunTrust Robinson Humphrey, Inc. and U.S. Bancorp Investments, Inc., as representatives of the several underwriters named therein.

In connection with such issuance and sale, I, or Company attorneys under my supervision, have examined:

- (a) The Indenture, including the Supplemental Indenture and the Officer's Certificate pursuant to Section 301 of the Indenture, establishing certain terms of the Bonds;
  - (b) The Bonds;
-

(c) The Amended and Restated Articles of Incorporation and the Bylaws of the Company, in each case as in effect on the date hereof;

(d) The resolutions of the Board of Directors of the Company, adopted by unanimous written consent, dated March 28, 2012 and June 5, 2012;

(e) The steps and proceedings in connection with the authorization of the Indenture, the Supplemental Indenture and the Bonds;

(f) The Underwriting Agreement;

(g) The Order of the Public Service Commission of Kentucky dated August 3, 2012, in connection with the issuance of the Bonds; and

(h) The Registration Statement and the Prospectus.

In such examination, I have assumed the accuracy and completeness of all agreements, documents, records, certificates and other materials submitted to me, the conformity with the originals of all such materials submitted to me as copies (whether or not certified and including facsimiles), the authenticity of the originals of such materials and all materials submitted to me as originals, the genuineness of all signatures and the legal capacity of all natural persons.

Based upon such examination and representations made to me by Company attorneys under my supervision, upon my familiarity with the Company, and upon an examination of such other documents and questions of law as I have deemed appropriate for purposes of this opinion, I am of the opinion that the Bonds have been duly authorized by the Company and that, when the Bonds have been executed and delivered by the Company and authenticated and delivered by the Trustee in the manner provided for in the Indenture, and have been delivered against payment therefor as contemplated in the Underwriting Agreement, the Bonds will be valid and binding obligations of the Company, except to the extent limited by bankruptcy, insolvency, fraudulent conveyance, reorganization or moratorium laws or by other laws now or hereafter in effect relating to or affecting the enforcement of mortgagees' and other creditors' rights and by general equitable principles (regardless of whether considered in a proceeding in equity or at law), an implied covenant of good faith and fair dealing and consideration of public policy, and federal or state security law limitations on indemnification and contribution.

The opinions expressed herein are limited to the laws of the Commonwealth of Kentucky. Insofar as the opinions set forth in this letter relate to or are dependent upon matters governed by the laws of the State of New York, I have relied exclusively upon the opinion of even date herewith of Pillsbury Winthrop Shaw Pittman LLP, special counsel for the Company. In rendering its opinion to you of even date herewith, Pillsbury Winthrop Shaw Pittman LLP may rely as to matters of Kentucky law addressed or encompassed herein upon this letter as if it were addressed directly to it.

I express no opinion as to matters of compliance with the "blue sky" laws or similar laws relating to the sale or distribution of the Bonds by any underwriters or agents.

I hereby consent to the filing of this opinion letter as Exhibit 5(a) to the Company's Current Report on Form 8-K to be filed by the Company with the Commission and the incorporation thereof by reference into the Registration Statement and to the use of my name under the caption "Validity of the Bonds" in the Prospectus. In giving this consent, I do not thereby admit that I am within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Dorothy E. O'Brien

Dorothy E. O'Brien

[KU Letterhead]

November 14, 2013

Kentucky Utilities Company  
One Quality Street  
Lexington, Kentucky 40507

Ladies and Gentlemen:

I am Vice President and Deputy General Counsel, Legal and Environmental Affairs of Kentucky Utilities Company, a Kentucky and Virginia corporation (the "Company"). In this capacity, I have acted as counsel to the Company in connection with the issuance and sale of \$250,000,000 in aggregate principal amount of the Company's First Mortgage Bonds, 4.65% Series due 2043 (the "Bonds"). The Bonds are covered by the Registration Statement on Form S-3 (Registration No. 333-180410-02, the "Registration Statement"), filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933 (the "Act"), and related prospectus, dated March 28, 2012, as supplemented by the prospectus supplement dated November 6, 2013, relating to the offer and sale of the Bonds (as so supplemented, the "Prospectus").

The Bonds are being issued under an Indenture, dated as of October 1, 2010, of the Company to The Bank of New York Mellon, as trustee (the "Trustee"), as heretofore amended and supplemented and as further supplemented by Supplemental Indenture No. 3 (the "Supplemental Indenture"), dated as of November 1, 2013, providing for the Bonds (such Indenture, as so supplemented, being referred to herein as the "Indenture"). The Bonds are being sold pursuant to the Underwriting Agreement, dated November 6, 2013 (the "Underwriting Agreement"), among the Company and BNP Paribas Securities Corp., Citigroup Global Markets Inc., Goldman, Sachs & Co., and Mitsubishi UFJ Securities (USA) Inc., as representatives of the several underwriters named therein.

In connection with such issuance and sale, I, or Company attorneys under my supervision, have examined:

- (a) The Indenture, including the Supplemental Indenture and the Officer's Certificate pursuant to Section 301 of the Indenture, establishing certain terms of the Bonds;
  - (b) The Bonds;
-

(c) The Amended and Restated Articles of Incorporation and the Bylaws of the Company, in each case as in effect on the date hereof;

(d) The resolutions of the Board of Directors of the Company, adopted by unanimous written consent, dated March 28, 2012 and June 5, 2012;

(e) The steps and proceedings in connection with the authorization of the Indenture, the Supplemental Indenture and the Bonds;

(f) The Underwriting Agreement;

(g) The Orders of the Public Service Commission of Kentucky dated August 3, 2012, the State Corporation Commission of Virginia dated July 27, 2012 and the Amended Order of Tennessee Regulatory Authority dated September 27, 2012, in connection with the issuance of the Bonds; and

(h) The Registration Statement and the Prospectus.

In such examination, I have assumed the accuracy and completeness of all agreements, documents, records, certificates and other materials submitted to me, the conformity with the originals of all such materials submitted to me as copies (whether or not certified and including facsimiles), the authenticity of the originals of such materials and all materials submitted to me as originals, the genuineness of all signatures and the legal capacity of all natural persons.

Based upon such examination and representations made to me by Company attorneys under my supervision, upon my familiarity with the Company, and upon an examination of such other documents and questions of law as I have deemed appropriate for purposes of this opinion, I am of the opinion that the Bonds have been duly authorized by the Company and that, when the Bonds have been executed and delivered by the Company and authenticated and delivered by the Trustee in the manner provided for in the Indenture, and have been delivered against payment therefor as contemplated in the Underwriting Agreement, the Bonds will be valid and binding obligations of the Company, except to the extent limited by bankruptcy, insolvency, fraudulent conveyance, reorganization or moratorium laws or by other laws now or hereafter in effect relating to or affecting the enforcement of mortgagees' and other creditors' rights and by general equitable principles (regardless of whether considered in a proceeding in equity or at law), an implied covenant of good faith and fair dealing and consideration of public policy, and federal or state security law limitations on indemnification and contribution.

The opinions expressed herein are limited to the laws of the Commonwealth of Kentucky. Insofar as the opinions set forth in this letter relate to or are dependent upon matters governed by the laws of the Commonwealth of Virginia and the State of Tennessee, I have relied exclusively on the opinion of even date herewith of Stoll Keenon Ogden PLLC, special Kentucky counsel of the Company. Insofar as the opinions set forth in this letter relate to or are dependent upon matters governed by the laws of the State of New York, I have relied exclusively



upon the opinion of even date herewith of Pillsbury Winthrop Shaw Pittman LLP, special counsel for the Company. In rendering their opinions to you of even date herewith, Pillsbury Winthrop Shaw Pittman LLP and Stoll Keenon Ogden PLLC may rely as to matters of Kentucky law addressed or encompassed herein upon this letter as if it were addressed directly to them.

I express no opinion as to matters of compliance with the "blue sky" laws or similar laws relating to the sale or distribution of the Bonds by any underwriters or agents.

I hereby consent to the filing of this opinion letter as Exhibit 5(b) to the Company's Current Report on Form 8-K to be filed by the Company with the Commission and the incorporation thereof by reference into the Registration Statement and to the use of my name under the caption "Validity of the Bonds" in the Prospectus. In giving this consent, I do not thereby admit that I am within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Dorothy E. O'Brien

Dorothy E. O'Brien

## [LETTERHEAD OF PILLSBURY WINTHROP SHAW PITTMAN LLP]

November 14, 2012

Louisville Gas and Electric Company  
220 West Main Street  
Louisville, Kentucky 40202

Ladies and Gentlemen:

We have acted as special counsel to Louisville Gas and Electric Company (the "Company") in connection with the issuance and sale by the Company of \$250,000,000 in aggregate principal amount of its First Mortgage Bonds, 4.65% Series due 2043 (the "Bonds"). The Bonds are covered by the Registration Statement on Form S-3 (Registration No. 333-180410-01, the "Registration Statement"), filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933 (the "Act"), and related prospectus, dated March 28, 2012, as supplemented by the prospectus supplement dated November 6, 2013 relating to the offer and sale of the Bonds (as so supplemented, the "Prospectus").

The Bonds are being issued under an Indenture, dated as of October 1, 2010, of the Company to The Bank of New York Mellon, as trustee (the "Trustee"), as heretofore amended and supplemented and as further supplemented by Supplemental Indenture No. 3 thereto, (the "Supplemental Indenture"), dated as of November 1, 2013, providing for the Bonds (such Indenture, as so supplemented, being referred to herein as the "Indenture"). The Bonds are being sold pursuant to the Underwriting Agreement, dated November 6, 2013 (the "Underwriting Agreement"), among the Company and Citigroup Global Markets Inc., RBS Securities Inc., Inc., SunTrust Robinson Humphrey, Inc. and U.S. Bancorp Investments, Inc., as representatives of the several underwriters named therein.

We have reviewed and are familiar with the Registration Statement, the Prospectus, the Indenture (including the Supplemental Indenture and the Officer's Certificate pursuant to Section 301 of the Indenture, establishing certain terms of the Bonds, and the form of Bond), the Underwriting Agreement and such other documents, corporate proceedings and other matters as we have considered relevant or necessary as a basis for the opinions in this letter. In such review, we have assumed the accuracy and completeness of all agreements, documents, records, certificates and other materials submitted to us, the conformity with the originals of all such materials submitted to us as copies (whether or not certified and including facsimiles), the authenticity of the originals of such materials and all materials submitted to us as originals, the genuineness of all signatures and the legal capacity of all natural persons. We understand that the Registration Statement has become effective under the Act and we assume that such effectiveness has not been terminated or rescinded.

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On the basis of the assumptions and subject to the qualifications and limitations set forth herein, we are of the opinion that, when the Bonds have been executed and delivered by the Company and authenticated and delivered by the Trustee in the manner provided for in the Indenture, and have been delivered against payment therefor as contemplated in the Underwriting Agreement, the Bonds will be valid and legally binding obligations of the Company, except as may be subject to and limited by the effect of (a) applicable bankruptcy, insolvency, fraudulent conveyance and transfer, receivership, conservatorship, arrangement, reorganization, moratorium and other similar laws affecting or relating to the rights of creditors and mortgagees generally, (b) general equitable principles (whether considered in a proceeding in equity or at law), and (c) requirements of reasonableness, good faith, materiality and fair dealing and the discretion of the court before which any matter may be brought.

We express no opinion herein as to titles to property, franchises, or the validity and priority of the lien purported to be created by the Indenture or the security provided thereby, or any recordation, filing or perfection of such lien, the Indenture or any related financing statements.

Our opinions set forth in this letter are limited to the law of the State of New York, as in effect on the date hereof. Insofar as the opinions set forth in this letter relate to or are dependent upon matters governed by the law of the Commonwealth of Kentucky, we have relied exclusively upon the opinions expressed or otherwise encompassed in the letter of even date herewith addressed to you by Dorothy E. O'Brien, Vice President and Deputy General Counsel, Legal and Environmental Affairs, of the Company, subject to the assumptions, limitations and qualifications set forth therein. In rendering her opinion to you, Ms. O'Brien may rely as to matters of New York law addressed herein upon this letter as if it were addressed directly to her.

We hereby consent to the filing of this opinion letter as Exhibit 5(c) to the Company's Current Report on Form 8-K to be filed by the Company with the Commission and the incorporation thereof by reference into the Registration Statement and to the use of our name under the caption "Validity of the Bonds" in the Prospectus. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Pillsbury Winthrop Shaw Pittman LLP

## [LETTERHEAD OF PILLSBURY WINTHROP SHAW PITTMAN LLP]

November 14, 2012

Kentucky Utilities Company  
One Quality Street  
Lexington, Kentucky 40507

Ladies and Gentlemen:

We have acted as special counsel to Kentucky Utilities Company (the "Company") in connection with the issuance and sale by the Company of \$250,000,000 in aggregate principal amount of its First Mortgage Bonds, 4.65% Series due 2043 (the "Bonds"). The Bonds are covered by the Registration Statement on Form S-3 (Registration No. 333-180410-02, the "Registration Statement"), filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933 (the "Act"), and related prospectus, dated March 28, 2012, as supplemented by the prospectus supplement dated November 6, 2013 relating to the offer and sale of the Bonds (as so supplemented, the "Prospectus").

The Bonds are being issued under an Indenture, dated as of October 1, 2010, of the Company to The Bank of New York Mellon, as trustee (the "Trustee"), as heretofore amended and supplemented and as further supplemented by Supplemental Indenture No. 3 thereto, (the "Supplemental Indenture"), dated as of November 1, 2013, providing for the Bonds (such Indenture, as so supplemented, being referred to herein as the "Indenture"). The Bonds are being sold pursuant to the Underwriting Agreement, dated November 6, 2013 (the "Underwriting Agreement"), among the Company and BNP Paribas Securities Corp., Citigroup Global Markets Inc., Goldman, Sachs & Co., and Mitsubishi UFJ Securities (USA), Inc., as representatives of the several underwriters named therein.

We have reviewed and are familiar with the Registration Statement, the Prospectus, the Indenture (including the Supplemental Indenture and the Officer's Certificate pursuant to Section 301 of the Indenture, establishing certain terms of the Bonds, and the form of Bond), the Underwriting Agreement and such other documents, corporate proceedings and other matters as we have considered relevant or necessary as a basis for the opinions in this letter. In such review, we have assumed the accuracy and completeness of all agreements, documents, records, certificates and other materials submitted to us, the conformity with the originals of all such materials submitted to us as copies (whether or not certified and including facsimiles), the authenticity of the originals of such materials and all materials submitted to us as originals, the genuineness of all signatures and the legal capacity of all natural persons. We understand that the Registration Statement has become effective under the Act and we assume that such effectiveness has not been terminated or rescinded.

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On the basis of the assumptions and subject to the qualifications and limitations set forth herein, we are of the opinion that, when the Bonds have been executed and delivered by the Company and authenticated and delivered by the Trustee in the manner provided for in the Indenture, and have been delivered against payment therefor as contemplated in the Underwriting Agreement, the Bonds will be valid and legally binding obligations of the Company, except as may be subject to and limited by the effect of (a) applicable bankruptcy, insolvency, fraudulent conveyance and transfer, receivership, conservatorship, arrangement, reorganization, moratorium and other similar laws affecting or relating to the rights of creditors and mortgagees generally, (b) general equitable principles (whether considered in a proceeding in equity or at law), and (c) requirements of reasonableness, good faith, materiality and fair dealing and the discretion of the court before which any matter may be brought.

We express no opinion herein as to titles to property, franchises, or the validity and priority of the lien purported to be created by the Indenture or the security provided thereby, or any recordation, filing or perfection of such lien, the Indenture or any related financing statements.

Our opinions set forth in this letter are limited to the law of the State of New York, as in effect on the date hereof. Insofar as the opinions set forth in this letter relate to or are dependent upon matters governed by the laws of the Commonwealths of Kentucky and Virginia and the State of Tennessee, we have relied exclusively upon the opinions expressed or otherwise encompassed in the letters of even date herewith addressed to you by Dorothy E. O'Brien, Vice President and Deputy General Counsel, Legal and Environmental Affairs, of the Company and Stoll Keenon Ogden PLLC, special Kentucky counsel of the Company, subject to the assumptions, limitations and qualifications set forth therein. In rendering their opinions to you, Ms. O'Brien and Stoll Keenon Ogden PLLC may rely as to matters of New York law addressed herein upon this letter as if it were addressed directly to them.

We hereby consent to the filing of this opinion letter as Exhibit 5(d) to the Company's Current Report on Form 8-K to be filed by the Company with the Commission and the incorporation thereof by reference into the Registration Statement and to the use of our name under the caption "Validity of the Bonds" in the Prospectus. In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Pillsbury Winthrop Shaw Pittman LLP

## [LETTERHEAD OF STOLL KEENON OGDEN PLLC]

November 14, 2013

Kentucky Utilities Company  
One Quality Street  
Lexington, Kentucky 40507

Ladies and Gentlemen:

We are acting as special counsel to Kentucky Utilities Company (the "*Company*") in connection with the issuance and sale by the Company of \$250,000,000 of the Company's 4.65% First Mortgage Bonds due 2043 (the "*Bonds*"). The Bonds are covered by the Registration Statement on Form S-3 (Registration No. 333-18410-02)(the "*Registration Statement*") filed by the Company with the Securities and Exchange Commission (the "*SEC*") under the Securities Act of 1933, as amended (the "*Securities Act*"), the Bonds and related prospectus, dated March 28, 2012, as supplemented by the prospectus supplement dated November 6, 2013 relating to the offer and sale of the Bonds (as so supplemented, the "*Prospectus*"). The Bonds are being issued under the Company's Indenture dated as of October 1, 2010, as supplemented (the "*Indenture*"), to The Bank of New York Mellon, as Trustee.

We have reviewed the Indenture, an Officer's Certificate of the Company dated November 12, 2013, pursuant to Sections 201 and 301 of the Indenture, establishing the terms and characteristics of the Bonds, and the records of various corporate and other actions taken by the Company in connection with the issuance of the Bonds. As to various questions of fact relevant to the opinions set forth below, we have relied upon certificates and other oral and written assurances of public officials and officers or other employees of the Company, its subsidiaries and its affiliates. In addition, we have reviewed such other documents and satisfied ourselves as to such other matters as we have deemed appropriate in order to render this opinion. We understand the Registration Statement has become effective under the Securities Act and we assume that at the time of issuance of the Bonds, such effectiveness shall not have been terminated or rescinded and that there shall not have been any change in law or any authorization affecting the legality or validity of the Bonds.

Based on the foregoing and, to the extent indicated below, in reliance upon the opinion of other counsel hereinafter mentioned, we are of the opinion that the Bonds, when issued and delivered by the Company and authenticated by the Trustee in accordance with the Indenture and as contemplated in the Registration Statement, will be legally issued and binding obligations of the Company.

Our opinion as to the legal and binding nature of the Company's obligations is subject to laws relating to or affecting generally the enforcement of creditors' and mortgagees' rights, including, without limitation, bankruptcy, insolvency or reorganization laws and general principles of

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equity and by requirements of reasonableness, good faith and fair dealing. We express no opinion with respect to the lien of the Indenture.

This opinion is limited to the law of the Commonwealths of Kentucky and Virginia and the State of Tennessee. We express no opinion whatsoever as to the securities laws of any jurisdiction, including the federal securities laws. Insofar as the opinions set forth herein are dependent upon or affected by matters governed by the laws of the State of New York, we have relied upon the opinion of even date herewith of Pillsbury Winthrop Shaw, Pittman LLP. In rendering their opinions to you of even date herewith, Pillsbury Winthrop Shaw, Pittman LLP and Dorothy O'Brien may rely as to matters governed by the law of the Commonwealths of Kentucky and Virginia and the State of Tennessee upon this letter as if it were addressed directly to them.

We hereby authorize and consent to the use of this opinion as Exhibit 5(e) to the Company's Current Report on Form 8-K to be filed by the Company with the Commission and the incorporation thereof by reference into the Registration Statement and to the use of our name under the caption "Validity of the Bonds" in the Prospectus. In giving this consent, we do not hereby concede that we come within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the SEC thereunder.

Very truly yours,

**STOLL KEENON OGDEN PLLC**

/s/ Anthony Schnell

Member