

ANTENNA LEASE AGREEMENT

THIS AGREEMENT, made this _____ day of July, 1998, by and between

Kentucky-American Water Company, a Kentucky corporation with its principal place of business located at 2300 Richmond Road, Lexington, Kentucky 40502, ("Lessor");

And

Powertel/Kentucky, Inc., a Delaware corporation with its principal place of business located at 1233 O. G. Skinner Drive, West Point, Georgia 31833, ("Lessee").

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

I. Premises

Lessor hereby leases to Lessee that certain space on Lessor's water tank located at 1700 Mercer Road, Lexington, Kentucky 40224, as shown on the drawing attached hereto as Exhibit A, and being further described in Deed Book 788, Page 223 in the records of Fayette County, Kentucky, together with a parcel of land sufficient for the installation of Lessee's equipment building as shown on Exhibit A, together with the non-exclusive right of ingress and egress seven (7) days per week, twenty-four (24) hours per day, in accordance with the guidelines set forth on Exhibit C, hereto, on foot or motor vehicle, including trucks and for the installation and maintenance of utility wires, poles, cables, conduits, and pipes over, under, or along a twenty (20') foot wide right-of-way to the demised premises solely for the purposes set

forth in Paragraph 2, hereof. Said Tank, parcel of land and right-of-way for access ("Property") being substantially as described in Exhibit A, hereto

2. Use

Lessee shall use the Property for the purpose of constructing, maintaining, and operating a communications facility and uses incidental thereto together with one (1) antenna structure and all necessary connecting appurtenances at Lessee's sole cost and expense. All structures and equipment intended to be used on the Property ("Equipment") and the frequencies of operation of such equipment is set forth in detail on Exhibit B. A security fence, or other means of security (see Exhibit C), consisting of chainlink construction may be placed around the perimeter of the Property at the discretion and approval of Lessor (not including the access easement). All improvements, including but not limited to, installation of the fence, and local approvals, if necessary, shall be paid for by Lessee. Lessee shall submit plans and specifications to Lessor for Lessor's written approval, which approval shall not be unreasonably withheld or delayed.

3. Conditions to Use

Lessee's obligation to perform under this Lease shall be subject to and conditioned upon:

(a) Lessee securing appropriate approvals for Lessee's intended use of the Property from the Federal Communications Commission, the Federal Aviation Administration and any other federal, state or local regulatory authority having jurisdiction over Lessee's proposed use of the Property;

(b) Lessee shall have the right to obtain a title report or commitment for a title policy from a title insurance company of its choice. If, in the opinion of the Lessee, such title

report shows any defects of title or liens or encumbrances which adversely affect Lessee's use of the Property or Lessee's ability to obtain financing, shall have the right to cancel this Lease immediately upon written notice to Lessor;

(c) Lessee shall have the right to have the Property surveyed and to have structural tower studies, radio frequency engineering and other engineering analyses performed. In the event that any defects are shown by the survey or the engineering analyses, which in the opinion of Lessee, may adversely affect Lessee's use of the Property, Lessee shall have the right to cancel this Lease immediately upon written notice to Lessor; and

(d) Lessee shall have the right to have an environmental audit of the Property performed by an environmental consulting firm of Lessee's choice. If the environmental audit reveals that the Property is contaminated with Hazardous Materials, as that term is hereinafter defined, Lessee shall have the right to cancel this Lease immediately upon written notice to Lessor; and

(e) Lessee may conduct radio frequency propagation studies ("RF Studies") on the Property. If the RF Studies do not provide results which meet with the personal satisfaction of Lessee, Lessee shall have the right to cancel this Lease immediately upon written notice to Lessor.

Lessee's inability to successfully satisfy these conditions within sixty (60) days after execution of this Lease shall relieve Lessee from any obligation to perform under this Lease; provided, however, that in the event of such termination, Lessor shall be entitled to retain any prepaid Rent as liquidated damages for such termination.

4. Rent

Beginning on the Commencement Date, rental payments will be due at an annual rental of Twenty Four Thousand Dollars (\$24,000.00), to be paid in equal monthly installments on the first day of the month, in advance to the Lessor at the address designated in Paragraph 17, hereof, or to any other person, firm, or place as the Lessor may from time to time designate in writing at least thirty (30) days in advance of any rental payment date. Upon execution of this Agreement, Lessee shall pay to Lessor a deposit equal to two (2) months' rent which shall be applied to the first years' rental payment.

The annual rental for the three (3) subsequent five (5) year extension terms shall be increased to reflect any increase in the cost of living for the period immediately preceding each extension term. The increase in the cost of living, if any, shall be measured by the Regional Consumer Price Index for all Consumers (1982 -1984 = 100), All Items, All Consumers (CPI) or any similar index published by an agency of the United States Government if such index should be terminated or revised, or in the event there shall be no similar index so published, any index or measure reasonably calculated so as to measure the change in the cost of living in a manner consistent with the CPI shall be calculated between the first and last calendar month of each five (5) year period by multiplying the change in such CPI by the monthly rent being paid immediately prior to such adjustment. The rent as adjusted shall thereafter be payable in equal monthly installments until the rent shall be once again adjusted for the subsequent five (5) year period.

5. **Term and Term Extension**

The term of this Agreement shall be five (5) years and shall be effective on the Commencement Date, which is defined as the first (1st) day of the month in which this Agreement is executed by all Parties. Lessee shall have the option to extend this Agreement for

three (3) additional five (5) year terms by giving the Lessor written notice of its intention to do so at least six (6) months prior to the end of the then current term. If at the end of the third (3rd) five (5) year extension term, this Agreement has not been terminated by either Party by giving to the other written notice of an intention to terminate it at least six (6) months prior to the end of such term, this Agreement shall continue in force upon the same covenants, terms and conditions for a further term of one (1) year and for annual terms thereafter until terminated by either Party by giving to the other written notice of its intention to so terminate at least six (6) months prior to the end of such term. Monthly rental for this period shall be equal to the rent paid for the last month of the third (3rd) five (5) year extension adjusted to reflect any increase in the CPI from the previous one-year extended term.

6. Access

Lessor agrees that Lessee shall have free access to the water tower at all times as per Exhibit C, hereto, for the purpose of installing and maintaining such Equipment, provided that Lessee does not interfere with Lessor's use of the Property. Lessor shall furnish Lessee with necessary provisions for access as per Exhibit D for the purpose of ingress and egress to the water tower site. It is agreed, however, that only authorized employees, or properly authorized contractors of Lessee or persons under its supervision, will be permitted to enter said premises.

7. Termination

Except as otherwise provided herein, this Agreement may be terminated, without any penalty or further liability, on thirty (30) days' written notice as follows: (a) by either party upon a default of any covenant or term hereby by the other which is not cured within sixty (60) days of receipt of written notice of default (without, however, limiting any other rights available to the parties pursuant to any other provisions hereof); (b) by Lessee if it is unable to obtain or

maintain any license, permit or other approval necessary to the operation of the Antenna Facilities or Lessee's business; (c) by Lessee if the Premises are to become unacceptable under Lessee's design or engineering specifications for its use of the Antenna Facilities; (d) by Lessor upon twelve (12) months' notice, if it determines to dismantle the Tank which Lessee is leasing; and (e) by Lessor if Lessee has not received all permits and approvals on or before twelve (12) months from the date of execution of this Agreement. In the event that Lessee terminates this Lease pursuant to subsections (b) or (c) of this paragraph 7, Lessee shall pay to Lessor liquidated damages equal to twelve (12) months' Rent.

8. **Conditions Precedent**

This Agreement is expressly conditioned on approval by Lessor's Board of Directors.

9. **Condemnation**

If a portion of the tank or tank site is taken or condemned for a public or quasi-public use (a sale in lieu of or in settlement of condemnation shall be deemed a taking or condemnation for purposes of this Agreement), to the extent that Lessee's use is deemed to be destroyed, this Agreement shall, at either Party's option, terminate as of the date title to the site or tank vests in the condemnor and the Rent shall be apportioned and paid in full by Lessee to Lessor to that date and neither Party shall thereafter have any liability hereunder.

Lessee shall have the right and it shall be its duty to remove its equipment from the Property on or before the date that title vests in the condemnor.

All compensation awarded upon such condemnation or taking shall go to the Lessor and Lessee shall have no claims thereto; and Lessee expressly waives, relinquishes, and releases to Lessor any claim for damages or other compensation to which Lessee might

otherwise be entitled because of any such taking or limitation of the leasehold estate hereby created and irrevocably assigns and transfers to Lessor any right to compensation of all or a party of the Property on the leasehold estate.

10. Title to the Property

Lessor covenants that Lessor is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement. Lessor further covenants that there are no other liens, judgments, or impediments of title on the Property or affecting Lessor's title to same other than that Indenture of Mortgage between Kentucky-American Water Company and First Union National Bank (successor to The Fidelity Bank), dated as of May 1, 1968, as supplemented and amended.

11. Indemnification

Lessee agrees to indemnify, defend and hold Lessor harmless from any and all claims arising from the installation, use, maintenance, repair or removal of Lessee's Equipment, except for claims arising from the gross negligence or intentional acts of Lessor, its employees, agents or independent contractors.

12. Insurance

Lessee shall, at Lessee's expense, obtain and keep in force during the term of this Agreement comprehensive general liability and property liability insurance with liability limits of not less than Five Million Dollars (\$5,000,000.00) for injury to or death of one or more persons in any one occurrence, and for damage to or destruction of property in any one occurrence. Lessor shall be named as an additional named insured, and the policies shall contain cross liability endorsements. Lessee may carry said insurance under a blanket policy, provided,

however, said insurance by Lessee shall have a Lessor's protection liability endorsement attached thereto. If Lessee shall fail to procure and maintain said insurance, Lessor, upon ten (10) days' written notice to Lessee, may, but shall not be required to, procure and maintain same, but at the expense of Lessee. Insurance required hereunder shall be in companies rated A or better in "Best's Insurance Guide." Lessee shall deliver to Lessor, prior to occupancy of the Property, copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses reasonably satisfactory to Lessor. No policy shall be cancellable or subject to reduction of coverage except after ten (10) days' prior written notice to Lessor.

Lessee shall carry Workers' Compensation Insurance during the term of this Lease to insure its statutory liability to its employees plus not less than \$100,000 Employer's Liability Insurance coverage.

Lessee shall carry the Comprehensive Form of Automobile Liability and Property Damage Insurance during the term of this Lease covering the risks typically included in such policy. The limits shall be not less than \$500,000/\$1,000,000 for bodily injury and \$100,000 for property damage.

13. Installation, Maintenance and Operation

It is understood and agreed that the Lessor must approve the installation, contractor and personnel chosen by Lessee to install, maintain and operate the equipment and that said installation, maintenance and operation will in no way damage or interfere with Lessor's use of the water tank, antennae or appurtenances. Lessor's approval of the installation, contractor and personnel shall not be unreasonably withheld or delayed.

No materials may be used in the installation of the antennae or transmission lines that will cause corrosion or deterioration of the water tank structure or its appurtenances. Prior to the installation of an antenna on the water tank, Lessee shall have a structural analysis performed, signed and sealed by a professional engineer licensed in the state in which the tank is located and approved by the Lessor. The analysis shall determine if the tank can accommodate the installation of the proposed antennae. If structural improvements are required prior to installation of the facilities, all costs associated therewith shall be borne by the Lessee, and the improvements must be approved in writing by Lessor.

All welding, cutting, and coating work required for the installation of antennae anchors, brackets, supports, etc. shall conform to the applicable requirements of AWWA Standard D100. The coatings and surface preparations used for the repair of existing coatings shall be approved by Lessor. The existing coatings shall be tested for the presence of lead and other hazardous substances, as defined in The Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et. seq. and regulations interpreting said Act. The cost of all lead abatement and containment procedures discussed in this paragraph shall be borne by the Lessee as part of the installation cost.

All installation, maintenance or operations work on the facilities that requires placing the water tank out of service shall be coordinated with the Lessor and the times and durations of placing the tank out of service shall be at the convenience of the Lessor. Any costs to take the tank out of service including, but not limited to, the cost of labor, the cost to drain, disinfect and refill the tank, shall be borne by the Lessee.

All electrical work to be performed on the Property shall be inspected and approved in accordance with the National Electric Code and all applicable local codes. All wiring outside of the tank shall be installed in rigid steel conduit.

Each antenna must be identified by a metal tag fastened securely to its bracket on the water tower and each transmission line is to be tagged at the conduit opening where it enters the Lessee's equipment building.

If the Lessee, its agents, employees, or equipment causes damage to the water tank, Lessee agrees to repair such damage with reasonable promptness at Lessee's own cost and expense. If Lessee fails to do so, Lessor shall have the right to repair said damage and invoice Lessee for said costs. Lessee agrees to maintain the antennae, transmission lines and other appurtenances in proper operating condition and maintain same in satisfactory condition as to appearance and safety. The duty to repair shall be in addition to and not in lieu of the Lessee's indemnification obligations contained herein.

All installations and operation in connection with this Agreement by Lessee shall meet with all applicable Rules and Regulations of the Federal Communications Commission, Federal Aviation Administration and all applicable codes and regulations of the relevant federal, municipal, county and state entities. Under this Agreement, Lessor assumes no responsibility for the licensing, operation and/or maintenance of Lessee's Equipment.

It is understood that Lessor, from time to time, will need to repair the water tank and/or remove and re-coat the tank with a new paint system. Following notification of the need and schedule for tank maintenance, which shall occur thirty (30) days prior to maintenance unless emergency conditions dictate a shorter notice period, the Lessee shall remove, secure, relocate, and/or protect its facilities during the entire duration of the maintenance activities,

which shall not exceed one-hundred twenty (120) days unless dictated by weather conditions, an emergency, or other reason beyond Lessor's control. The cost of removing, securing, relocating, and/or protecting shall be borne by the Lessee. Any other additional costs to perform coating maintenance due to the installation or presence of the Equipment shall be borne by the Lessee.

14. Interference

In the event that the operations of Lessee under this Agreement interfere with the water storage and distribution by Lessor or other earlier authorized operations on the site, Lessee shall at its own expense and within 24 hours after notice thereof, correct such interference. This provision shall not apply to test periods where the source of the interference is being determined for purposes of suppression. In the event that transmitting or receiving devices installed on the site in the future by any future licensee or lessee shall interfere with Lessee's transmission or reception, Lessor shall order such licensee or lessee that such interference must be eliminated as soon as reasonably possible at such licensee's or lessee's sole cost. In the event that any such interference does not cease within such reasonable period, the parties acknowledge that continuing interference will cause irreparable injury to Lessee and Lessee shall have the right, in addition to any other rights that it may have at law or equity, to bring action to enjoin such interference or to terminate this Agreement.

15. Taxes

Lessee is solely responsible for any and all taxes assessed by reason of the erection by Lessee of its Equipment, which taxes shall be paid promptly when due by Lessee upon receipt from Lessor of written evidence.

16. Assignment

Any Sublease or Assignment of this Agreement that is entered into by Lessor or Lessee shall be subject to the provisions of this Agreement. Additionally, Lessee may, upon notice to Lessor, mortgage or grant a security interest in this Agreement and the Equipment, and may assign this Agreement and the Equipment to any such Secured Parties or holders of security interests including their successors and assigns (hereinafter collectively referred to as "Secured Parties"). In such event, Lessor shall execute such consent to leasehold financing as may reasonably be required by Secured Parties. Lessor agrees to notify Lessee and Lessee's Secured Parties simultaneously of any default by Lessee and to give Secured Parties the same right to cure any default as Lessee except that the cure period for any Secured Party shall not be less than 10 days after the receipt of the default notice. Lessee may assign this Agreement without the consent of Lessor to an affiliate of Lessee or to an entity which acquires Lessee's communications license from the Federal Communications Commission. If a termination, disaffirmance or rejection of the Agreement pursuant to any laws (including any bankruptcy or insolvency laws) by Lessee shall occur, or if Lessor shall terminate this Agreement for any reason, Lessor will give to the Secured Parties prompt notice thereof and Lessor will give the Secured Parties the right to enter upon the Property during a 30-day period commencing upon the Secured Parties receipt of the such notice for the purpose of removing any Equipment.

17. Notice

All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested, or by overnight mail, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: **Kentucky-American Water Company**
 2300 Richmond Road

Lexington, Kentucky 40223
Attn: President

LESSEE: Powertel/Kentucky, Inc.
P.O. Box 24323
Louisville, KY 40224-0323

Attention: Director of Site Development

With a copy to: Powertel/Kentucky, Inc.
1233 O.G. Skinner Drive
West Point, Georgia 31833
Attn: Legal Department

18. Governing Law

This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the laws of the state in which the Property is located.

19. Entire Agreement

It is understood and agreed that this Agreement contains all agreements, promises and understandings between the Lessor and Lessee and that no verbal or oral agreements, promises, or understandings shall be binding upon either the Lessor or Lessee in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and unenforceable unless made in writing and signed by the authorized representatives of the Parties hereto.

20. Subject to the provisions of this Agreement, Lessor further warrants that Lessee shall have the quiet enjoyment of the Property during the term of this Lease and that Lessor shall indemnify Lessee from and against any loss, cost or damage including attorneys' fees, associated with a breach of the foregoing covenant of quiet enjoyment.

21. This Agreement shall be binding on the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their
respective seals the day and year first written above.

ATTEST:

KENTUCKY-AMERICAN WATER COMPANY

Heidi M. Kelly, Sec.

By: [Signature]
Title: PRESIDENT

ATTEST:

POWERTEL/KENTUCKY, INC.

By: [Signature] D. Stola
Title: VP of Operations

EXHIBITS

- | | | |
|-----------|---|--|
| Exhibit A | - | Description of Property |
| Exhibit B | - | Description of Lessee's Facilities and Equipment |
| Exhibit C | - | Access Guidelines |
| Exhibit D | - | Access Easement |

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THIS LEASE AGREEMENT, made and entered into this the 28 day of March, 1968, by and between LEXINGTON WATER COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of Kentucky, having its principal office and place of business at 167 North Upper Street, Lexington, Kentucky, party of the first part (hereinafter sometimes called "Company"), and FAYETTE COUNTY, a political subdivision of the Commonwealth of Kentucky, and the CITY OF LEXINGTON, a municipal corporation, hereinafter collectively called the, party of the second part (hereinafter sometimes called "Lessee"),

W I T N E S S E T H:

THAT, WHEREAS, the party of the first part is a public utility engaged generally in providing a pure water supply to the City of Lexington and surrounding areas in Fayette County and has been so engaged for a great number of years, and

WHEREAS, in connection with the provision of its service to its service area, Company has heretofore constructed, maintained and operated certain impounding reservoirs located in Fayette County, Kentucky, including a certain impounding reservoir known and designated as Reservoir No. 4 located on U. S. 25 approximately four miles east of the City of Lexington, said Reservoir No. 4 being located both generally north and south of said U. S. 25, and

WHEREAS, Company, in protecting the water shed to said Reservoir No. 4 and the purity and potability of water collected and stored therein, has heretofore acquired and has owned for many years certain farm lands adjacent thereto, including those tracts more particularly described on Exhibit A annexed hereto and made a part hereof, said tracts lying generally north of U. S. 25 and adjacent to said Reservoir No. 4, and

WHEREAS, a great need exists for the establishment and maintenance of a public park and public recreational facilities in the City of Lexington and in Fayette County, Kentucky, within the service area of Company, and the parties hereto have reached an agreement under the terms of which Company will, subject to the terms and conditions of this agreement, lease, let and demise unto the Lessee, the lands described in Exhibit A annexed hereto for the purpose of providing through the facilities of second party a public park and recreational facilities principally for citizens and residents of the City of Lexington and Fayette County, Kentucky,

NOW, THEREFORE, in consideration of the sum of Ten (\$10.00) Dollars cash in hand paid, and other good and valuable considerations, including the covenants and agreements hereinafter set forth, to be kept and performed by the Lessee, its successors and assigns, Company has demised and leased and by these presents does hereby lease, let and demise upon the Lessee, and the Lessee does hereby rent, take and hire, upon

and subject to the terms and conditions hereinafter contained, those certain tracts or parcels of land located generally north of U. S. 25 approximately four miles east of the City of Lexington, containing 386.272 acres, more or less, which lands are more particularly described and bounded as set forth in Exhibit A annexed hereto and made a part hereof, the specific term of said lease and the terms and conditions thereof being as follows, to-wit:

1. TERM: The term of this lease shall be for a period of twenty-five (25) years beginning on the 1st day of March, 1968 and terminating on the 28th day of February, 1993 unless this lease shall be sooner terminated in accord with the further provisions of this agreement, in which event this lease shall be deemed to have expired upon such termination. The Lessee shall have the option and right to renew this lease upon the same terms and conditions for one additional twenty-five (25) year period beginning on the 1st day of March, 1993 and terminating on the 28th day of February, 2018. In the event Lessee desires to exercise its option to renew this lease, Lessee must notify Company of its election to exercise its option to renew by notice in writing delivered to Company in the manner and form hereinafter provided for notices not less than six (6) months prior to the expiration of the original term of this lease.

2. RENTAL: The rental to be paid by Lessee to Company during the term of this lease shall be the sum of Ten (\$10.00) Dollars per year, which sum shall be due and payable on or before the 1st day of March in each year of the term hereof.

3. DEFINITIONS: The term defined in this paragraph shall have the meanings herein specified for all purposes of this lease and of all leases or other instruments supplemental hereto or amendatory hereto, now or hereafter entered into between the parties hereto, unless the context expressly or by necessary implication otherwise requires:

(a) "Demised Premises" shall mean and include all of the land hereby leased to the Lessee, together with the buildings and improvements now thereon or which may hereafter be constructed by Lessee thereon, but excluding all property and property rights specifically excepted from this lease and the Lessee's facilities;

(b) "Lessee's Facilities" shall mean all personal property, buildings or improvements constructed or owned by Lessee and used or intended for use in connection with the recreational activities to be provided by Lessee upon the leased premises;

(c) "Company's Premises" shall mean the land, buildings and improvements thereon and the water area owned by Company in Fayette County not included as a part of the demised premises and all buildings or improvements which may be constructed thereon by Company;

(d) "Reservoir No. 4" shall mean the water area to the high water mark, the dam and all other related facilities constructed or maintained by Company in Fayette County in the general area of the demised premises for the purpose of creating and maintaining a water supply to meet the requirements of its customers in its service area;

(e) "Recreation" or "Recreational" shall mean and include picnicking, hiking, golf and other sports or games (excluding hunting, shooting of firearms or trapping), community art, theater, club and dancing activities and all types of playground activities and, immediately upon the vesting in possession in Lessee hereunder of any rights of any type or description in and to that portion of the water area of Reservoir No. 4 included within the description contained in Exhibit A annexed hereto, said terms shall include boating, fishing and other water sports, provided, however, that in the event boating activities are conducted upon such water, no motor boats of any description shall be permitted.

4. USE OF PREMISES: Lessee agrees that the demised premises have been leased to it and accepted by it solely for the purpose of establishing recreational facilities for the use and benefit of the public in the City of Lexington and in Fayette County, Kentucky, subject only to the following conditions:

(a) The approval of the Company shall be required as to the precise location of each recreational facility before any such facility is constructed. Lessee shall, within 180 days from date of execution of this lease agreement, furnish and submit to Company a proposed master plan for the development of the leased premises for recreational purposes, which development plan shall include a general description of the type, nature and location of recreational facilities to be developed by the Lessee upon the leased premises. No facility shall be constructed upon the leased premises until the Company shall approve in writing the master plan submitted by the Lessee, provided, however, that Company shall notify the Lessee of its approval or rejection of the master plan within ninety (90) days from date of its submission to Company.

(b) After the master plan submitted by Lessee to Company has been approved by Company, Lessee shall give written notice to Company of its intention to proceed with the development or construction of each facility and shall submit to Company a detailed plan and specification for the proposed development and a plat or description of the area to be developed. Company shall have ninety (90) days from the receipt of such plans and specifications

within which to notify Lessee in writing of its approval or rejection of approval of the specific development or construction of such facility. Company shall not unreasonably withhold its approval with respect to any such proposed facility or development.

(c) No permanent residence, overnight motels, trailer parks or other quarters shall be established or permitted except that permanent camp sites for boy scouts, girl scouts or other such organized groups may be established with Company's approval, if adequate toilet and sanitary facilities are installed therewith pursuant to the regulations of the Kentucky State Board of Health and any county or city sanitary or health ordinances or rules and regulations, and except that Lessee may, with the Company's approval, establish one or more caretaker's houses.

(d) No hunting, shooting or firearms or trapping shall be conducted or permitted on the demised premises; nor shall the Lessee sell or permit the sale or use of live fish bait consisting of fish belonging to the carp or rough fish family as defined and specified by the State of Kentucky, stock the waters within the demised premises with any fish belonging to the carp or rough fish

family as so defined, nor shall Lessee permit, upon the water area included within the demised premises, the use of boats having motive power or ice skating of any kind.

(e) No water shall be taken from the reservoir upon or adjacent to the demised premises or streams or tributaries thereto by the Lessee, nor shall Lessee permit any such taking of water, unless the written consent of Company shall have been first obtained. Any water taken with the approval of Company shall be paid for at the rates then in effect as approved by the Kentucky Public Service Commission.

(f) No recreational activities shall be permitted by Lessee on any lands or properties of Company not a part or portion of the demised premises.

(g) Lessee agrees that the sale, distribution or use of alcoholic beverages of any kind on or about the demised premises is prohibited and shall not be permitted.

(h) No use shall be made, nor shall any activity be conducted, upon the demised premises which, in the determination of Company is not compatible with the operation of a water supply facility or may cause any pollution hazard to the water, lands or facilities

maintained by Company within, adjacent to or in the general area of the demised premises. Lessee covenants and agrees that in the event Company shall determine that any facility or activity upon the demised premises constitutes a pollution hazard to the lands, waters or facilities of Company, including the demised premises, Lessee will take immediate action to remove such facility or to cause such activity to be discontinued. In the event such facility has not been removed or such activity discontinued within ten (10) days from date of such notice by Company to Lessee, then and in that event Company shall have the right to immediately cause this lease to be terminated by the delivery or service of a notice of termination upon Lessee, in which event Company shall be entitled to be restored to its former possession of the demised premises and Lessee shall forthwith vacate the same without necessity of further notice or court procedure.

(i) No trees or shrubs shall be cut or otherwise removed from the demised premises without the prior written consent of Company being first obtained with respect thereto.

5. CHARGES: Lessee shall pay when due and, upon demand, exhibit to Company receipts evidencing payment of all of the following charges which, during the term of this lease,

shall be levied, assessed or imposed by any governmental authority or otherwise become due upon or with respect to or in connection with the possession, occupancy, operation, alteration, maintenance, repair and use of the demised premises, the Lessee, or the ownership of the demised premises by Company:

Real property taxes and other taxes, assessments and other governmental charges provided for in paragraph (a) below;

All premiums upon insurance provided for in paragraphs 6 and 7 hereinafter contained;

Expenses of occupying, operating, altering, maintaining, supervising, policing, repairing and restoring the demised premises;

Other expenses and charges not excluded by any provision of this lease;

(a) Lessee shall pay all real estate and property taxes caused by or arising out of the exercise by Lessee of any of its rights under this lease. Company will pay all other real estate and personal property taxes assessed against the demised premises. Lessee shall also pay any assessment or governmental charges included but not limited to assessments for public improvements which are assessed, levied, confirmed or imposed upon or in respect of the possession and use of the demised premises by Lessee under this lease, including any increase in the assessment of the demised premises by reason of or in connection with the erection or construction thereon of improvements by Lessee.

(b) If Company shall receive any statement or notice relative to any tax assessment or charge for which Lessee is liable under subparagraph (a) above or declaring any such tax or assessment to be due, Company shall promptly after receipt thereof deliver the same to Lessee and Lessee, upon such receipt of any notice or statement declaring any such tax or assessment to be due, shall promptly forward to Company its check or draft, payable to Company, for the amount of such tax shown to be due.

(c) Anything contained in this lease to the contrary notwithstanding, Lessee shall have the right to contest the amount or validity of any tax included in subparagraph (a) above by appropriate legal proceedings, which proceedings shall be conducted promptly at Lessee's expense and free of all expense to Company; provided, however, that Company shall, at the request of the Lessee, join in any such proceeding mentioned herein or permit such proceeding to be brought in its name but shall not be subjected to any liability for the payment of any costs or expenses in connection therewith and Lessee will indemnify and save harmless the Company from such costs and expenses.

6. LESSEE'S FACILITIES: At any time and from time to time during the term of this lease, Lessee may install, maintain, change, alter and replace on the demised premises such facilities as Lessee may deem necessary or desirable in connection with the recreational uses of the demised premises, subject only to the requirements of this lease and Company's

approval as hereinabove provided. Notwithstanding the fact that Lessee's facilities may be installed in such a manner that, but for the agreement of Company herein contained, the same would form a part of the demised premises, Lessee's facilities shall nevertheless be and remain at all times the property of the Lessee.

Lessee may remove all or any part of Lessee's facilities at any time and from time to time during the term of this lease. Lessee shall remove all of Lessee's facilities on or before the date of termination of this lease; provided, however, that if this lease is terminated prior to its full term of 25 years, then Lessee shall have six (6) months after the date of such termination within which to complete said removal unless said facility is a pollution hazard, in which event the same shall be removed immediately. Lessee shall repair all damage to the leased premises caused by construction, installation or removal of the Lessee's facilities. Any of Lessee's facilities not removed upon termination of this lease, as in this paragraph provided, shall be deemed to have been abandoned and the same shall thereupon become the property of Company, unless Company shall by written notice to Lessee require the removal of the same from the demised premises, in which event Lessee shall within a reasonable time after receipt of such notice remove the same, and upon Lessee's failure to do, Company may remove the same and Lessee shall pay to Company the expense of such removal.

Lessee shall be responsible for procuring and paying for all municipal and other governmental permits and authorizations of the various state, county and municipal departments

and governmental subdivisions having jurisdiction necessary or advisable in connection with the construction, maintenance, changes or alterations of Lessee's facilities. Company shall join in the application, at no expense to Company, for such permits or authorizations whenever such action is necessary.

All work done in connection with any of Lessee's facilities shall be done in a good and workmanlike manner and in compliance with restrictions, zoning regulations, statutes and rules and regulations of governmental authorities having jurisdiction and in compliance with the valid and applicable building laws, ordinances, orders, rules and regulations and in further accord with the requirements of all federal, state and municipal authorities. The cost of such work shall be paid or secured so that the demised premises shall be at all times free and clear of all liens for labor and materials supplied or claimed to have been supplied for the construction, maintenance, operation and removal of such facilities upon the demised premises.

Workmen's compensation coverage covering all persons employed in connection with the work and with respect to whom death or bodily injury claims could be asserted against Company, Lessee or the demised premises and general liability insurance for the mutual benefit of Lessee and Company with limits of not less than \$200,000 in the event of bodily injury to any person, not less than \$1,000,000 in the event of bodily injury to any number of persons in any one accident and not less than \$100,000 with respect to damage to property in any

one accident, shall be maintained at all times when any work is in process in connection with Lessee's facilities without cost or expense to Company, and duly authenticated copies of such policies shall be delivered to Company prior to the commencement of any such work.

Company shall not be responsible to the Lessee for any loss or damage occurring to Lessee's facilities or the demised premises.

7. INSURANCE: During the term of this lease, Lessee shall at its sole cost and expense keep the demised premises and the Lessee's facilities insured for the benefit of Company and Lessee, as their interest may appear, against loss or damage by fire and other risks now or hereafter embraced by "extended coverage" in such amounts as Company and Lessee may from time to time mutually agree upon. Any loss under any policy of insurance issued in accord with this paragraph shall be payable to Lessee and Company as their interest may appear.

During the term of this lease, Lessee will indemnify and save Company harmless against and from any and all claims, liability, damages, losses, suits, proceedings and judgments and expenses connected therewith, including court costs and attorneys' fees, for damage to any property of Company, of Lessee or of any third person as well as for injuries to any person, including death, in any way arising out of or connected with or caused by the demised premises, leased facilities or activities permitted upon the demised premises or facilities

or by any person utilizing such facilities, whether occasioned by the negligence of the Company, its agents, its employees or otherwise. As an incident to the aforementioned indemnity, Lessee shall, during the term of this lease, at its sole cost and expense, maintain public liability insurance, on forms and in companies reasonably satisfactory to Company, against claims for personal injury, death or property damage occurring upon, in or about the demised premises, such insurance to afford protection to the limit of not less than \$300,000 in respect to injuries or death to a single person and not less than \$1,000,000 in respect to any one accident, and to the limit of not less than \$100,000 in respect to property damage for any one accident, but the providing of such insurance shall not relieve Lessee of its primary liability hereunder to so indemnify and save Company harmless under the indemnity agreements herein, Company may, at its option and by notice in writing to Lessee, require such increase in the limits of liability of such insurance at any time during the term of this Lease, and within thirty (30) days of receipt of such notice, Lessee shall secure such increased limits. Policies for such insurance shall be for the mutual benefit of Company and Lessee, as their interest may appear.

Lessee shall procure renewals of all insurance policies not less than ten (10) days before the expiration thereof and all policies of insurance executed pursuant to the provisions of this paragraph shall contain an agreement by the insurer that such policy shall not be cancelled without at least ten (10) days prior written notice to Company.

Prior to the beginning of the term of this lease and at all times thereafter, Lessee shall cause to be furnished to Company copies of all policies of insurance procured and furnished

by Lessee under the terms and provisions of this paragraph.

8. MAINTENANCE AND POLICING OF PREMISES: During the term of this lease, Lessee shall at its own cost and expense, keep and maintain the demised premises and Lessee's facilities in good order and in a neat, clean and safe condition, and will not create or permit to continue any condition on the demised premises or Lessee's facilities which shall, in the opinion of Company, be hazardous to the reservoirs maintained by Company or the water therein and its use for public water supply purposes.

Lessee shall at all times during the term of this lease, to the satisfaction of Company, supervise and police the use of the demised premises for the purpose of insuring compliance with the recreational use restrictions contained in this lease, maintaining law and order and preventing disturbances, rowdyism and activities which Company may deem a nuisance, preventing damage to or trespass upon the demised premises, and insuring the continued maintenance of the demised premises (including all fencing, interior and exterior, and all improvements now located thereon) and Lessee's facilities in a neat, clean and safe condition. Lessee shall preserve and protect the reservoirs of Company from pollution or other injury hazardous to its use for water supply purposes.

Company and its agents shall have the right to inspect the demised premises and lease facilities and records at all reasonable times for the purpose of insuring the compliance with the provisions of this paragraph and Company shall have the power to require Lessee to take any action to remedy conditions or to discontinue or change any use, practice,

condition or rule deemed by Company to be unsafe, undesirable or in violation of Lessee's duties and obligations under this paragraph. Upon the failure of Lessee to take such action, Company may, at its option, either enter upon the demised premises and take such appropriate action, in which event Lessee shall immediately upon demand pay Company reasonable costs and expenses in connection therewith, or, at its option, cancel and terminate this lease forthwith and retake possession of the demised premises, in which event Lessee shall surrender and deliver Company to its former possession without necessity of further notice. Company shall be under no duty to make such inspections or to require any such discontinuance or change.

Company shall not be required to furnish any services or utilities or make any repairs or alterations in or to the demised premises, Lessee hereby assuming the full and sole responsibility for the condition, operation, repair, replacement, maintenance and management of the demised premises, including the obligation to comply with and to maintain the demised premises in compliance with this lease, all laws and all requirements of all governmental authorities applicable to the demised premises and to the use thereof, and all requirements of the insurance companies with which Lessee maintains insurance required by this lease.

9. DAMAGE OR DESTRUCTION: In event of damage to or destruction of the demised premises or Lessee's facilities by fire or otherwise during the term of this lease, Lessee shall promptly at its sole cost and expense repair, restore and rebuild the same as nearly as possible to the condition such were in immediately prior to said damage or destruction or, in the case of Lessee's facilities, with such changes or

alterations as may be made at Lessee's election and in conformity with this lease, provided, however, that Lessee may elect not to rebuild Lessee's facilities so long as the property covered by said facilities is returned to its original condition as of the date of execution of this lease. Terms and provisions of this lease with respect to construction of Lessee's facilities upon the demised premises shall be applicable to work required to be done under this paragraph. All insurance money recovered by Company on account of such damage or destruction shall be applied by Company first to the repair and restoration of the demised premises. If within sixty (60) days from date of such damage or destruction Lessee has not begun to comply with the provisions of this paragraph relating to the demised premises, or, having commenced has not proceeded with due diligence, Company may, after ten (10) days written notice to Lessee, enter upon the premises and proceed with such work and Lessee shall, upon demand from Company, pay to Company the cost of such work.

10. CONDEMNATION OR SALE: If during the term of this lease the whole or any part of the demised premises shall be taken by condemnation or otherwise as a result of the exercise of the power of eminent domain, Company shall be entitled to and shall receive the total amount of any award made with respect to the demised premises or the portion thereof so taken, Lessee hereby waiving in favor of Company all claims with respect to its leasehold interest, costs of removing

Lessee's facilities and consequential or other damages excepting only the value of Lessee's facilities actually taken by said condemnation. Company shall pay over to the Lessee only the amount of said award, if any, specifically made with respect to the value of Lessee's facilities or any portion thereof taken. If, and to the extent that, any portion of the award shall be made to the Lessee or to any person claiming through or under the Lessee, the Lessee hereby irrevocably assigns to Company all of the right, title and interest of the Lessee and of any such person in and to any and all such awards.

If during the term of this lease, the whole or substantially the whole of the demised premises shall be sold to governmental authorities or taken by condemnation or otherwise as a result of the exercise of the power of eminent domain said sale or condemnation to include a sale or condemnation of a substantial portion of the water supply, treatment and distribution properties of the Company), this lease and all right title and interest of the Lessee hereunder shall cease and terminate as of the date of vesting of title to the demised premises in the purchasing or condemning governmental authority, or the date upon which said governmental authority shall have the right to possession of the demised premises, whichever shall be the earlier date.

If during the term of this lease, a part or portion of the demised premises shall be so taken or condemned and said partial taking does not interfere with the continued recreational use by Lessee of the remaining portion of the

demised premises, then this lease shall continue as to the said remaining portions of the demised premises but shall terminate as to the portion so condemned and Company shall in no way be liable or obligated to Lessee for such partial taking, except as it may be obligated to pay over some portion of the award to Lessee for the value of Lessee's facilities actually taken in accord with the provisions hereinabove contained.

If during the term of this lease the whole or any part of the demised premises shall be taken or condemned by a competent authority for its temporary use or occupancy or for a limited period, this lease shall not terminate or be terminated by reason thereof, except only to the extent that the Lessee may be prevented from using the demised premises or performing or observing all of its obligations hereunder and Company shall have no obligations with respect to the Lessee on account of such temporary condemnation, except for its obligations as hereinabove provided, to pay over to Lessee the amount of any award made for such taking specifically attributed to the temporary restriction upon the use of Lessee's facilities.

Notwithstanding all other provisions of this lease, however, Company shall have during the term of this lease the absolute right to use any portion of the demised premises which Company deems necessary for the installation, construction, operation, repair, renewal or replacement of its mains, pumps, valves, pole lines and other operating

facilities, provided, however, that in event such facilities are so located as to damage or destroy then existing facilities of the Lessee, Company shall repair or replace such facilities of the Lessee so as to return the same to the same condition as prior to such construction. . Company shall have the further right to grant to other public utilities such easements as Company deems advisable over and across the demised premises, provided said easements and facilities constructed pursuant thereto do not damage or destroy then existing facilities of the Lessee, and, upon the granting of said easements by Company, the rights created by this lease shall be subordinate to the rights so granted by such easements.

11 MISCELLANEOUS TERMS AND COVENANTS: (a) Anything in this lease to the contrary notwithstanding this lease and Lessee's rights hereunder are subject to all incidents of the use by Company of its reservoirs and other facilities for public water supply or allied purposes, including but not limited to Company's right to withdraw all or any portion of the water therefrom, Company's right to raise the water level in the reservoir if deemed necessary by Company to increase the storage capacity thereof, and Company's right to enter upon the demised premises at any time for the purpose of taking any action required for such purpose. Lessee shall engage in no activity, nor shall it permit any

activity, hereunder that in any way interferes with said purposes and the Company shall be under no duty to maintain the water in the reservoir at any particular level (or to maintain any water whatever therein) or to do any other act with respect to the condition or use of the reservoir or the surrounding areas.

(b) It is understood by the parties hereto that a portion of the demised premises is now subject to a certain lease between Company and Lake Ellerslie Fishing Club, dated March 15, 1965, a copy of which agreement has been furnished to Lessee, under terms of which said Fishing Club has certain rights to use a portion of the demised premises. Upon sixty (60) days written notice from Lessee to Company stating that it is prepared to proceed immediately with the recreational development of land or water area leased by Company to said Fishing Club and included within the boundaries of the demised premises, Company shall proceed to terminate such rental agreement upon the expiration of its current term (March 15, 1970) and upon such termination, possession thereof shall be immediately delivered to Lessee. Company shall not be liable to the Lessee by reason of any refusal by such tenant under said rental agreement to give up possession of such property, nor shall Company have any obligation except in cooperation with and at the expense of Lessee

to take such action as may be required to put Lessee in possession of said lands.

(c) Anything in this lease to the contrary notwithstanding this lease and Lessee's rights hereunder are subject and subordinate to:

(1) The lien of a certain mortgage indenture dated as of December 1, 1937, as supplemented and amended, from Company to Chemical Bank and Trust Company (now Chemical Bank New York Trust Company) and Howard B. Smith (now Richard G. Pintard) securing Company's first mortgage bonds in various series;

(2) Any rights of creditors in the demised premises which may now exist or may hereafter be created by existing or future financing arrangements made by Company, the right to further incumber said property being hereby specifically reserved to Company, it being the understanding of the parties hereto that the lease hereby granted shall be and hereafter always remain subject and subordinate to the rights of creditors of Company, whether under mortgages, indentures or otherwise; and

(3) In accordance with this subordination, this lease shall be subject to termination by a trustee in bankruptcy or in reorganization proceedings (including reorganization proceedings under any federal bankruptcy

law or similar statutory proceeding), lawfully appointed, or by the trustee or by any receiver appointed in any action or proceeding or foreclosure under the present indenture or otherwise or for the enforcement of the rights of the trustee or of the bondholders if, during the continuance in the event of default such trustee or such receiver shall have entered upon and taken possession of Company's property mortgaged or subject thereto.

(d) Lessee shall not sublet the whole or any part of the demised premises or assign this lease or Lessee's leasehold estate without the prior written consent of the Company.

12. TERMINATION PROVISIONS: (a) If Lessee fails to perform any of the terms, covenants or conditions of this lease, including, without limiting the generalities of the foregoing, the payment of all amounts due and payable hereunder and the supervision, policing, maintenance, repairing and restoring of the demised premises as herein provided, said failure shall constitute an event of default. If such an event of default shall occur and shall be continuing for thirty (30) days after the service of written notice of such event of default by Company upon Lessee, then this lease shall cease and come to an end all at the date specified in said notice, which date shall not be less than thirty (30) days after delivery

of said notice, and Lessee will then quit and surrender the demised premises to the Company; provided, however, that in case of a default which is capable of being cured, but which cannot with due diligence be cured within a period of thirty (30) days, the time for curing of said default can be extended with written approval of Company for such reasonable period as may be necessary to complete the same with all due diligence.

(b) If any effective regulations now existing or hereafter adopted by the Department of Health of the State of Kentucky or any other governmental agency, or any present or future law of the State of Kentucky, shall make any of the recreational uses of the demised premises unlawful, then this lease shall be modified without the necessity for further action by the parties hereto so as to exclude said illegal use from the permitted recreational uses of the demised premises. Upon any of the originally intended recreational uses being declared unlawful in accord with the foregoing sentence, the Lessee may, at its election, and upon not less than six (6) months written notice to Company, terminate this lease, the date of such termination to be specified in said notice and to be not earlier than six (6) months from the date of such notice.

(c) It is mutually agreed and understood by Company and Lessee that this lease is predicated upon the

demised premises being used and useful to the Company in its operation as a water utility and that this lease for recreational purposes is dependent upon and only compatible with said demised premises being so considered as used and useful to Company by the appropriate state regulatory body. It is further mutually agreed that if it is determined that all or any part of the demised premises is not property which is used and useful to Company in its operation as a water utility, such determination to be made by the appropriate state regulatory body and, if the proceedings in which said determination is made shall become final and binding upon Company, then this lease shall cease and come to an end as to any part of the demised premises so determined not to be used and useful property to Company within sixty (60) days after delivery by Company to Lessee of written notice of said final determination, provided, however, that Lessee shall within said sixty (60) day period have the option to continue to lease that part of the demised premises so determined not to be used and useful property to Company upon the payment of an annual rental to be then mutually agreed upon by Company and Lessee. In the event that Company and Lessee cannot reach a satisfactory agreement as to such annual rental, the Lessee shall have an option to purchase that part of the demised premises so determined not to be used and useful property to Company, which option may be exercised by Lessee by

the service of a written notice of the exercise thereof upon Company within said sixty (60) day period. If Lessee exercises this option to purchase, the purchase price shall be: (1) An amount to be then mutually agreed upon by Company and Lessee, or (2) In the event Company and Lessee cannot within thirty (30) days reach an agreement as to price, then the purchase price shall be the then full fair market value of that portion of the demised premises (excluding Lessee's facilities thereon) so determined not to be used and useful to Company as established by three (3) independent, impartial and qualified real estate appraisers engaged in the real estate business in Fayette County, Kentucky, one such appraiser to be selected by Company, one by the Lessee and the third by the two (2) appraisers so selected.

(d) Lessee covenants and agrees that it will, within one (1) year from the commencement of the term of this lease, prepare and deliver to Company a master plan for the complete recreational development of the demised premises, together with a specific schedule of completion dates for each separate project, it being understood that the entire demised premises will be developed in a reasonable and prudent manner by Lessee for recreational purposes for the use and benefit of the general public of the City of Lexington and Fayette County, Kentucky. Lessee shall have the right to amend said master plan from time to time

during the term of this lease, but hereby covenants and agrees to make all reasonable efforts to complete the recreational development of the demised premises in accord with its master plan and completion schedule within the shortest period of time feasible for Lessee.

(e) Lessee, upon termination of this lease for any reason whatever, shall comply with the provisions of this agreement and surrender to Company immediate and peaceable possession of the demised premises in good order, condition and repair. Upon failure of Lessee to surrender possession of the demised premises in accord with this agreement upon the date that this lease terminates, Lessee shall become liable to pay rent for the demised premises beginning on the date said termination becomes effective and continuing until Lessee shall have surrendered possession of the demised premises in an amount equal annually to twelve (12%) percent of the then fair market value of the demised premises, said rentals to be payable monthly in advance, the fair market value of the demised premises to be determined as provided in subparagraph (c) above for the determination thereof in the event of a sale of a portion of the demised premises to Lessee. In the event rentals become due under this subparagraph of this agreement, and in the further event Lessee fails to appoint an appraiser to determine the fair market value of the demised premises

within ten (10) days following notice by Company to Lessee of the appointment of Company's appraiser, then and in that event Company's appraiser shall proceed to determine the fair market value of said property and such determination by Company's appraiser acting alone shall be binding upon Lessee and Company with respect to the amount of rentals due under this subparagraph.

(f) The rights and remedies given to Company in this lease are distinct, separate and cumulative remedies and no one of them, whether or not exercised by Company, shall be deemed to be an exclusion of any of the others provided herein or provided by law or equity. In event of a breach or a threatened breach by Lessee of any of the terms, covenants, conditions or agreements hereof or upon the occurrence of an event of default, Company shall have the right to invoke any remedy allowed by law or in equity, including the right of injunction to restrain any breach or threatened breach, as if re-entry, summary proceedings, termination or other specific remedies, indemnity or reimbursement were not herein authorized.

(g) Lessee hereby expressly waives service of any notice of re-entry or to institute legal proceedings to that end. Lessee hereby further waives any and all rights under any statute, law or decision now or hereafter in force and effect to recover or regain possession of the demised premises or to reinstate or redeem this lease in the event that Lessee

shall be evicted or dispossessed for any cause, or in the event the Company obtains possession of the demised premises by reason of the violation by Lessee of any of the terms, covenants, conditions or agreements of this lease or otherwise. As used in this lease, the words "re-enter" and "re-entry" shall not be limited to their technical or common law meaning.

13. MISCELLANEOUS: (a) All notices, demands, requests, offers, consents, acceptances and other communications (hereinafter called "communications") which may or are required to be given by either party to the other shall be in writing. All communications by the Company to the Lessee shall be sent by United States Registered Mail, postage prepaid, addressed to the Lessee at _____

_____ Lexington, Kentucky, or at such other place as the Lessee may from time to time designate in a written notice to Company. All communications by the Lessee to Company shall be sent by United States Registered Mail, postage prepaid, addressed to the Company at 167 North Upper Street, Lexington, Kentucky, or at such other place

Company may from time to time designate in a written notice to the Lessee. Communications which shall be

served upon the Company or the Lessee in the manner aforesaid shall be sufficiently served or given for all purposes hereunder and shall be deemed to have been served or given as of the date of receipt thereof.

(b) On each separate recreational facility constructed or installed by Lessee, Lessee shall erect a sign, setting forth in addition to any information desired by Lessee, that such facility is made available by the Lexington Water Company.

(c) In establishing charges to the public for the use of any public recreational facility developed or constructed upon the demised premises, Lessee shall follow the policy that all such charges shall be only the minimum charges necessary to develop, construct, operate and maintain the recreational facilities herein permitted for the use of the public, including a satisfaction of any debt service requirements directly connected with the construction, development, operation and maintenance of such facilities.

(d) At all times during the term of this lease, or any renewal thereof, Lessee shall have the planning, development, management and supervision of all recreational facilities under the direct supervision and control of a professional park director employed on a full-time basis by Lessee and properly accredited by an accrediting association generally recognized in the area where the demised premises are located.

(e) The covenants and agreements herein contained shall be binding upon and enure to the benefit of the parties hereto, their respective successors and assigns. This lease

and the rights and obligations of the parties hereunder shall be construed and interpreted in accord with the laws of the State of Kentucky. This lease contains the entire agreement between the parties hereto and no amendments or modifications shall be effective or binding until set forth in an instrument in writing, executed by the parties hereto, or their respective successors in interest.

IN WITNESS WHEREOF, the parties hereto have caused their respective signatures to be affixed hereto by their proper officers, duly authorized in the premises, and their respective corporate seals to be hereto affixed, all as of the day and year first above written.

LEXINGTON WATER COMPANY

By


PRESIDENT

ATTEST:


Asst. SECRETARY

FAYETTE COUNTY, KENTUCKY, a
political subdivision of the
COMMONWEALTH OF KENTUCKY

By


COUNTY JUDGE

ATTEST:


FAYETTE COUNTY COURT CLERK

CITY OF LEXINGTON, KENTUCKY
a municipal corporation

By


MAYOR

ATTEST:



STATE OF KENTUCKY

COUNTY OF FAYETTE

I, Carol F. Walker, a Notary
Public in and for the state and county aforesaid, do
hereby certify that the foregoing Lease Agreement between
Lexington Water Company and Fayette County, Kentucky and
the City of Lexington, Kentucky was this day produced
before me in my office in said county and state by G. C.
Smith, Vice President and General Manager of the Lexington
Water Company, and that the same was thereupon acknowledged
by the said G. C. Smith to be the free and voluntary act
and deed of the Lexington Water Company, a corporation, and
his free and voluntary act and deed as Vice President and
General Manager thereof, all of which is hereby certified
to the proper office for record.

WITNESS MY HAND AND SEAL OF OFFICE at Lexington,
Kentucky, this the 28th day of March, 1968.

My Commission expires: August 5, 1969

Carol F. Walker
NOTARY PUBLIC, FAYETTE
COUNTY, KENTUCKY

STATE OF KENTUCKY

COUNTY OF FAYETTE

I, Ruth Ann Henry, a Notary
Public in and for the state and county aforesaid, do hereby
certify that the foregoing Lease Agreement between the

Lexington Water Company and Fayette County, Kentucky and the City of Lexington, Kentucky was this day produced before me in my office in said state and county by Joseph E. Johnson, III, County Judge of Fayette County, Kentucky, who thereupon acknowledged the same to be the free and voluntary act and deed of Fayette County, Kentucky, and his free and voluntary act and deed as County Judge thereof, all of which, together with my certificate is hereby certified to the proper office for record.

WITNESS MY HAND AND SEAL OF OFFICE at Lexington, Kentucky, this the 28 day of March, 1968.

My Commission expires: May 20, 1970

Ruth Ann Henry
NOTARY PUBLIC, FAYETTE
COUNTY, KENTUCKY

STATE OF KENTUCKY

COUNTY OF FAYETTE

I, Ruth Ann Henry, a Notary Public in and for the state and county aforesaid, do hereby certify that the foregoing Lease Agreement between the Lexington Water Company and Fayette County, Kentucky and the City of Lexington, Kentucky was this day produced before me in my office in said county and state by Charles Wylie, Mayor of the City of Lexington, Kentucky, and that the same was thereupon acknowledged by him to be the free and voluntary act and deed of the City of Lexington and

his free and voluntary act and deed as Mayor thereof,
all of which, together with my certificate is hereby
certified to the proper office for record.

WITNESS MY HAND AND SEAL OF OFFICE at Lexington,
Kentucky, this the 28 day of March, 1968.

My Commission expires: May 20, 1970

Ruth Ann Henry
NOTARY PUBLIC, FAYETTE
COUNTY, KENTUCKY

This instrument was
prepared by

Edna Shaw
310 First Natl. Bank Bldg.
Lexington, Ky.,

AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE ("Amendment"), made and entered into this the 16th day of May, 2005 (the "Effective Date"), by and between **KENTUCKY-AMERICAN WATER COMPANY** (the "Company" and/or the "Lessor"), a Kentucky corporation, with its principal office and place of business at 2300 Richmond Road, Lexington, Fayette County, Kentucky, and **THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT** (the "Lessee"), an urban county government organized and existing pursuant to Chapter 67A of the Kentucky Revised Statutes, whose address is 200 East Main Street, Lexington, Kentucky 40507;

WITNESSETH:

WHEREAS, the Company (as successor-in-interest to Lexington Water Company) is the lessor, and Lessee (as successor-in-interest to the City of Lexington) is the lessee under that certain lease (the "Lease") dated March 28, 1968 and of record in Deed Book 946, Page 82 in the Fayette County Clerk's Office; and

WHEREAS, pursuant to the Lease, Lessee has leased and is leasing from the Company a tract of land consisting of approximately 386 acres (the "Demised Premises") for the sum of Ten Dollars (\$10.00) per year, for a base lease period beginning March 1, 1968 and ending February 28, 1993, and for an optional lease period commencing March 1, 1993, and ending February 28, 2018; and

WHEREAS, Lessee has constructed upon the Demised Premises and maintains and operates thereon numerous recreational facilities for the benefit of the community, including but not limited to Lakeside Golf Course and Jacobson Park; and

WHEREAS, Lessee's present uses of the Demised Premises, including the spraying of chemicals on Lakeside Golf Course, do not, to the current knowledge of Lessor, constitute a pollution hazard within the meaning of the Lease; and

WHEREAS, the water impoundment known as Reservoir No. 4 and its environs located in and upon the Demised Premises are an integral part of the Company's water supply system; and

WHEREAS, the parties desire to modify the Lease for the benefit of the Lessee and the citizens of Lexington-Fayette County and Central Kentucky.

NOW, THEREFORE, for and consideration of the mutual covenants and agreements set forth in the Lease and in this Amendment, the receipt and sufficiency of which are hereby acknowledged, the parties agree that the Lease shall be and is hereby amended as of the Effective Date, as follows:

1. All words or terms which appear in this Amendment with the initial letter(s) capitalized but which are not otherwise defined shall have the same meaning(s) as is/are ascribed to such words or terms in the Lease.

2. The term of the Lease, presently scheduled to expire on the 28th day of February, 2018, is hereby amended so that the Lease shall terminate on January 2, 2011 (the "Scheduled Expiration Date").

3. Provided that the Lease is in full force and effect on the Scheduled Expiration Date, and that Kentucky Public Service Commission ("PSC") approval as specified in numerical paragraph 9 hereof ("PSC approval") has been obtained, Lessor agrees that it will cause a deed of the Demised Premises in the form attached hereto as Exhibit "A" to be delivered to Lessee pursuant to the terms of the Escrow Agreement

attached hereto as Exhibit "B." If PSC approval has not been obtained prior to the Scheduled Expiration Date, then the Lease shall not terminate on the Scheduled Expiration Date but shall remain in effect until the earlier of (i) February 28, 2018 or (ii) the date upon which PSC approval is obtained. If PSC approval has not been obtained by February 28, 2018, then the Lease shall automatically renew on a year-to-year basis until PSC approval is obtained. All provisions of the Lease as amended by this Amendment shall remain in full force and effect during any and all renewals of the Lease.

4. As of the Effective Date of this Amendment, any and all of the Company's rights to terminate this Lease prior to the Scheduled Expiration Date, including but not limited to the rights of early termination set forth in numerical paragraph 12 of the Lease, are hereby waived, forfeited, and deleted from the Lease. The Company shall retain all other rights and remedies it has under the Lease in the event of a default by Lessee.

5. Paragraph 4.(g) of the Lease is hereby deleted.

6. Except as expressly amended by this Amendment, the Lease shall remain unamended, in full force and effect, and enforceable pursuant to its terms and conditions. In the event any term, covenant, or condition contained in this Amendment conflicts with the terms, covenants, and conditions contained in the Lease, or any of them, the terms, covenants, and conditions of this Amendment shall govern and prevail.

7. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

8. From and after the Effective Date, all references in the Lease or in this Amendment to the Lease or this "lease," or "Lease," shall be deemed to be references to the Lease as amended by this Amendment.

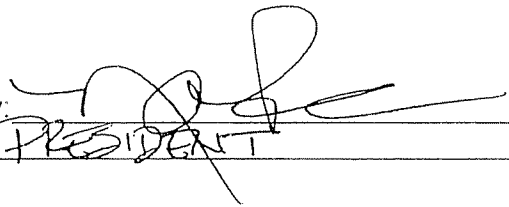
9. Lessor will proceed immediately to request approval from the PSC for those provisions of this Amendment for which approval by the PSC is required by law and/or by prior orders of the PSC. Upon obtaining all appropriate, final, and non-appealable approvals from the PSC, Lessor will sign the Deed of the Demised Premises in the form attached hereto as Exhibit "A" and execute the Escrow Agreement in the form attached hereto as Exhibit "B," which Escrow Agreement shall be contemporaneously executed by Lessee, thereby causing the Deed of the Demised Premises to be placed in escrow for subsequent delivery to Lessee. If, upon the initial application, PSC approval is not obtained: (i) Lessor will nonetheless sign the Deed of the Demised Premises in the form attached hereto as Exhibit "A" and execute the Escrow Agreement in the form attached hereto as Exhibit "B," which Escrow Agreement shall be contemporaneously executed by Lessee, thereby causing the Deed of the Demised Premises to be placed in escrow for subsequent delivery to Lessee; (ii) the Lease shall remain in effect pursuant to paragraph 3 of this Amendment and all provisions of this Amendment not requiring approval by the PSC shall be in full force and effect; and (iii) both Lessor and Lessee shall have the perpetual right to re-petition the PSC to obtain PSC Approval. Each of the parties hereto shall join in any such re-petition initiated by the other party.

10. Lessor will not reserve or impose any additional restrictions of record on the Demised Premises between the execution of this Amendment to Lease by the

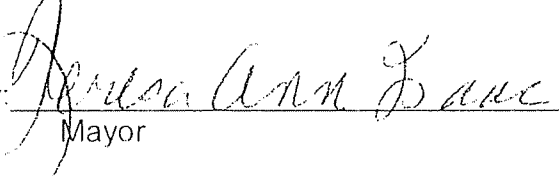
parties hereto and the Scheduled Expiration Date without obtaining prior written consent from Lessee. Lessee agrees and covenants that its consent for any reservation or imposition of additional restrictions of record shall not be unreasonably withheld.

IN WITNESS WHEREOF, the parties hereunto have set their hands this the day and year first above written by and through their duly authorized representatives.

KENTUCKY-AMERICAN WATER COMPANY

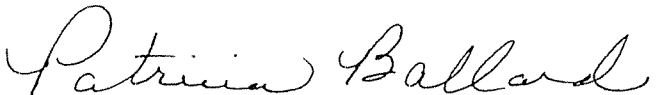
By: 
Its PRESIDENT

LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT

By: 
Mayor

COMMONWEALTH OF KENTUCKY
COUNTY OF FAYETTE

The foregoing instrument was subscribed, sworn to and acknowledged before me this 10th day of May, 2005, by Nick O. Rowe as President of **KENTUCKY-AMERICAN WATER COMPANY**, a Kentucky corporation, for and on behalf of said corporation.



NOTARY PUBLIC, STATE AT LARGE

My Commission Expires: Jan. 28, 2008

COMMONWEALTH OF KENTUCKY
COUNTY OF FAYETTE

The foregoing instrument was subscribed, sworn to and acknowledged before me this 16 day of May, 2005, by TERESA ANN ISAAC as Mayor of LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, an urban-county government organized and existing pursuant to Kentucky Revised Statutes Chapter 67A, for and on behalf of said Government.

Nancy L. Jacob

NOTARY PUBLIC, STATE AT LARGE

My Commission Expires March 9, 2007

THIS INSTRUMENT WAS PREPARED BY:

STOLL, KEENON & PARK, LLP
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000

BY:

Frank L. Wilford, Esq.
Gary W. Barr, Esq.

THIS LICENSE AGREEMENT, made and entered into this the 19th day of February, 1999, by and between KENTUCKY-AMERICAN WATER COMPANY, a Kentucky corporation having its office and place of business at 2300 Richmond Road, Lexington, Kentucky, party of the first part, hereinafter called "COMPANY," and LAKE ELLERSLIE FISHING CLUB, a Kentucky corporation also having its office at Lexington, Kentucky, party of the second part, hereinafter called the "CLUB."

W I T N E S S E T H:

WHEREAS, for many years, COMPANY AND CLUB have entered into agreements by which bona fide members of the CLUB were granted the exclusive fishing and boating privileges in and over all or part of COMPANY'S Reservoir Number 4, a body of water located in Lexington, Fayette County, Kentucky.

WHEREAS, the current agreement between COMPANY AND CLUB expires on the 15th day of June, 1999.

NOW, THEREFORE, in consideration of the license fees to be paid by the CLUB to COMPANY as hereinafter stated, and in consideration of the mutual agreements of the parties hereto as hereinafter set forth, and subject to the terms and conditions hereinafter stated, COMPANY does hereby grant to the bona fide members of the CLUB the exclusive fishing and boating privileges (except for any rights granted to abutting property owners whose property lines extend into Reservoir Number 4) in and over that portion of COMPANY'S Reservoir Number 4 lying on the southerly side of the Richmond Road, near the City of Lexington and in Fayette County, Kentucky, for the period of time hereinafter set forth, the specific terms and conditions of the license hereby granted being as follows, to-wit:

1. TERM: The license hereby granted beginning on the 15th day of June, 1999, and terminating on the 15th day of November, 2014.

2. LICENSE FEES: CLUB shall pay to COMPANY, for and in consideration of the privileges herein granted, an annual license fee, in each and every year of the term hereof, in the amount of Seven Hundred Fifty (\$750.00) Dollars, which sum shall be paid on or before the 15th day of June, in each year of the term hereof. In the event said fee is not paid within sixty (60) days of its due date in any year during the term hereof, COMPANY, at its option, may terminate the license granted hereby by written notice to CLUB, and upon such notice the privileges hereby granted shall forthwith cease and terminate.

3. EXCEPTIONS: The privileges hereby granted are exclusive privileges, provided, however, that directors, officers, employees and retired employees of Kentucky-American Water Company and their families, shall have and be entitled to fishing and boating privileges in and upon said portion of Reservoir Number 4 as herein granted to members of the CLUB under the same terms and conditions as members of said CLUB, and that the grant of privileges herein is subject to any rights granted to abutting property owners by the COMPANY whose property lines extend into Reservoir Number 4.

4. RULES AND REGULATIONS: In exercising the rights and privileges granted hereby, members of the CLUB shall observe at all times the following Rules and Regulations:

- (a) Fishing and Boating shall be confined to the hours between daylight and 10:00 p.m. and no fishing or boating shall be permitted (except for the policing of the premises by the CLUB) at any other time except with the written consent of COMPANY;

- (b) Gasoline motors (not to exceed five (5) horsepower) for the propulsion of boats will be permitted for fishing purposes only and all boats must be operated at a slow troll, "no-wake" speed at all times;
- (c) No member of the CLUB shall come upon the premises of COMPANY or exercise any of the privileges granted hereby unless said member is wearing, and continues to wear at all times while upon the premises of COMPANY, a badge or suitable identification tag issued by the CLUB to evidence his membership;
- ~~(d) -- Every member of the CLUB exercising the privileges granted hereby shall, on each day of exercise of such privileges, register prior to fishing or boating at the Club House of the CLUB or a such other place on the premises as a register may be kept by the CLUB;~~
- (e) No hunting or shooting of firearms on the premises of COMPANY shall be permitted;

COMPANY reserves the right to prescribe such other Rules and Regulations as it may from time to time deem necessary for the efficient and proper operation of its business in the furnishing of a potable water supply to the residents of the Lexington area and for the proper control and utilization of its property, which Rules and Regulations shall be established by written notice to CLUB. Any such additional rules and regulations so prescribed by COMPANY shall, after notice to CLUB, be as fully binding on CLUB as if included in this paragraph.

5. WATCHMEN: The CLUB agrees to provide the necessary number of watchmen, at its own expense, to properly police said portion of Reservoir Number 4 and land contiguous thereto, and within two hundred (200) feet of the high water mark at all points to prevent, as far as it lawfully can, all trespassing upon said land and upon

the privileges herein granted; and to enforce obedience to the Rules and Regulations herein provided. CLUB shall, at its own expense, prosecute all trespassers thereon. Provided, however, that it is not the purpose of COMPANY, and it does not hereby, constitute the CLUB, its agents, servants or employees of COMPANY for any purpose or to authorize the CLUB, its officers, agents, members, employees or agents to do any unlawful act or lay hands upon or physically eject any person from said premises, or otherwise commit an assault or battery upon any person.

6. GUESTS: The privileges herein granted to CLUB and its members may be extended by the CLUB to bona fide guests of members, (not less than ten (10) per member per year) provided, however, that guests must be accompanied at all times by the member or member's spouse. Directors, officers, employees and retired employees of COMPANY referred to in paragraph 3 hereof may also have guests. Such directors, officers, employees and retired employees of COMPANY (together with members of their respective families and guests) shall be governed by the same Rules and Regulations that apply to members of the CLUB. With the exception of guest fees set by the Club, no temporary permission to use the privileges herein granted shall be extended by the CLUB for a consideration.

7. BUILDINGS AND GROUNDS: COMPANY has heretofore set apart for CLUB a portion of land on the banks of said portion of Reservoir Number 4 certain grounds for the use of CLUB for parking space and for a home for its watchman. CLUB shall have the right to use said areas for such purposes during the term of this grant. In event CLUB desires to construct a Club House adjacent to said Reservoir, COMPANY shall set aside an appropriate tract or parcel of land adjacent to said Reservoir for such purpose and CLUB shall have the right and privilege of constructing thereon its Club House and to use the same during term of this license. Any such Club House so constructed shall be equipped with sanitary facilities which meet specifications of COMPANY and no such Club House shall at any time be so operated or used so as to create any hazard whatever to the purity of water stored by COMPANY in its

Reservoir. Plans and specifications for any proposed Club House shall be submitted to COMPANY for its approval and construction thereof shall not begin until such COMPANY approval has been obtained in writing.

All buildings and other improvements on and to the Reservoir and adjacent COMPANY land, shall, at all times, conform to all applicable laws, regulations and codes pertaining to such buildings or improvements, and the CLUB shall further indemnify the COMPANY against any claims, actions, judgments, damages, and liabilities arising therefrom.

To enable the CLUB and its members to fully enjoy the privileges herein granted, the right of free ingress and egress over and across the land of COMPANY adjacent to said portion of Reservoir Number 4 and within the present fences now surrounding said lake is hereby granted, provided, however, that vehicular travel shall be confined as nearly as possible to existing roadways and parking areas. CLUB shall further have the right, subject to approval of COMPANY, to erect and maintain fish screens, wires and other devices for protection, propagation and preservation of fish, but no such screens, wires or devices shall be so located or erected as to in any way befoul or pollute the water or injure the dams or property of COMPANY.

In exercising the privileges granted hereby, CLUB shall do, cause or permit to be done no act or thing which may in any way pollute the water in said Reservoir. In the event, COMPANY shall determine that any building, roadway, screen, wire, fixture, device or activity of the CLUB or its members upon the premises constitutes a pollution hazard to said waters or any undesirable condition on the watershed, CLUB shall remove the same within thirty (30) days of receipt of notice thereof, or if in the opinion of COMPANY, such hazard is imminent, such removal may be made by COMPANY without notice.

8. RIGHTS RESERVED: COMPANY reserves unto itself all rights of ownership in the premises not hereby specifically granted to the CLUB, including, but not limited to, the right to maintain and use upon the water such boats as it may deem desirable, the right to treat such water with such chemicals as it deems necessary, the right to withdraw such amounts (all, if necessary) of such water as it deems desirable, and all other incidents of absolute ownership thereof, excepting only and solely the right to grant to others boating and fishing privileges thereon, excluding abutting property owners whose property lines extend into Reservoir Number 4. Nothing herein shall be construed to prohibit COMPANY from permitting entry to its premises or from ~~taking any other action in connection therewith that~~ COMPANY deems desirable.

9. VIOLATIONS: Should any officer, agent, employee, member or guest of CLUB violate any of the terms of this Agreement or any of the Rules and Regulations hereunder, CLUB shall pay to COMPANY the sum of Twenty-Five (\$25.00) Dollars for each and every such offense. Any second offense by that same officer, agent, employee, member or guest may be treated and construed by COMPANY as a violation of this Agreement by the CLUB itself and have the same force and effect, and may, at the option of COMPANY, constitute a ground for cancellation of this Agreement and termination forthwith by COMPANY of the privileges herein granted.

10. PROPERTY OF COMPANY, INDEMNITY: CLUB covenants and agrees that neither it nor its members, guests, officers, agents or employees will cause or permit damage to any buildings, trees, shrubs, plants or improvements on the property of the COMPANY. CLUB further agrees to indemnify and hold harmless the COMPANY of and from any and all claims, demands, damages and actions to persons and property arising out of the use or occupancy of the Reservoir, adjoining land, buildings, docks, lakes, structures and other improvements by members of the CLUB or its guests and other invitees. CLUB further agrees to secure, at its own expense, for the joint benefit of COMPANY and CLUB for the term of this agreement a policy of

public liability insurance in a company approved by COMPANY, which policy shall provide coverage of not less than \$300,000.00 for any one injury and \$1,000,000.00 for any one accident. Such policy shall provide for notice to COMPANY of any cancellation thereof and a copy of said policy shall be delivered to COMPANY at the beginning of the term hereof.

11. CANCELLATION: Said Kentucky-American Water Company reserves the right to terminate this agreement at any time, upon thirty (30) days written notice, and to cancel this agreement either with or without cause assigned for its action. Any violation of the terms of this agreement by said CLUB of any or its members, officers, agents, employees, servants or guests, as defined in paragraph 9, will be sufficient cause for the cancellation of this agreement, so likewise, the failure on the part of the CLUB to pay the rent for sixty days after the same shall be due Kentucky-American Water Company, and the right to cancel this agreement for cause shall in no way be waived by said Water Company because of its failure at any time or times to take advantage of either a failure to pay rent within the time required, or any other breach of the contract of any kind whatsoever; but the Kentucky-American Water Company may at any time take advantage of any breach of the contract or failure to perform duty required of the CLUB, notwithstanding there may have been previous similar breach or breaches of the contract and failure to perform duty which were not taken advantage of. If said Kentucky-American Water Company shall cancel this agreement because of a breach hereof, second party will immediately forfeit all rights granted to it hereunder including all rental paid, but it shall remove all buildings erected on the Kentucky-American Water Company's land herein provided. If Kentucky-American Water Company shall cancel this agreement for any other cause whatsoever or without cause, the CLUB shall remove from said premises any improvements theretofore put thereon by it and there shall also be refunded to the Fishing Club that rental paid, upon proportionate basis, for the portion of the year which is unexpired at the time of said cancellation of said agreement, as herein provided.

12. QUITE ENJOYMENT: Said Kentucky-American Water Company agrees and binds itself to keep second party in peaceful and quiet possession and enjoyment of the privileges herein granted, subject to the terms and conditions herein set forth.

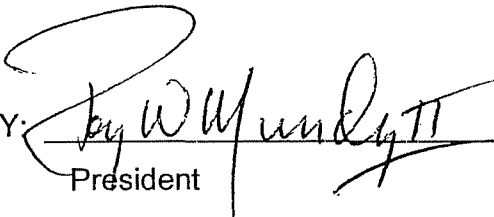
13. BINDING EFFECT, NOTICES: This agreement shall be binding upon the parties hereto, their successors and assigns. No amendment hereto shall be valid unless reduced to writing and executed by both of the parties hereto. Any notices to be served hereunder upon Kentucky-American Water Company shall be mailed by registered mail to Kentucky-American Water Company, 2300 Richmond Road, Lexington, Kentucky, or to such other address as COMPANY may hereinafter, in writing, designate. Any notices to be given to CLUB hereunder shall be sent by registered mail to Lake Ellerslie Fishing Club, 3720 Richmond Road, Lexington, Kentucky 40509, or to such other address as CLUB may hereafter, in writing, designate. Production of receipts of registered mail containing such notices shall be conclusive evidence of service thereof.

14. ASSIGNABILITY: The party of the second part shall have no right whatsoever to assign, transfer or in any way encumber the license estate granted hereby and any attempt to assign, transfer or encumber the license estate herein created shall constitute an immediate forfeiture of the license estate herein granted to second party.

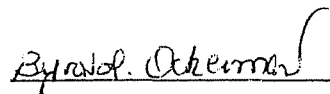
15. NON-DISCRIMINATION: The CLUB represents to the COMPANY that it does not discriminate in its membership or guest policies, practices, rules or conduct, against any person on account of such person's race, color, natural origin, age (provided such persons are of lawful age), sex or who are protected under the Americans With Disabilities Act, as amended.

IN WITNESS WHEREOF, the parties hereto have set their hands to this License Agreement, this the day and year first above written.

KENTUCKY-AMERICAN WATER COMPANY

BY: _____
President

LAKE ELLERSLIE FISHING CLUB, INC.

BY: _____
President