

EXHIBIT F10

FORM OF ACCEPTABLE LETTER OF CREDIT

_____ - CONFIDENTIAL

DATE : ----

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER : ----

ISSUING BANK :

BENEFICIARY: **Louisville Gas and Electric Company**, a Kentucky corporation
820 West Broadway, Louisville, Kentucky 40202

APPLICANT : NAME AND ADDRESS

AMOUNT

NOT EXCEEDING \$

NOT EXCEEDING -----U.S. DOLLARS

EXPIRATION

-----AT OUR COUNTERS

We, [Bank Name], hereby establish in favor of the above-named Beneficiary (the "**Beneficiary**") this Irrevocable Standby Letter of Credit No. _____ (this "**Letter of Credit**") at the request of and for the account of Zachry Industrial, Inc. ("**Contractor**"), a corporation, with its principal place of business at 527 Logwood, San Antonio, TX 78221, effective immediately and expiring on the date set forth in numbered **Paragraphs 5** and **6** hereof.

This Letter of Credit, we are informed, is issued pursuant to the terms of the Agreement, dated as of _____, 20__, by and between Contractor and the Beneficiary, as the same may be amended from time to time (the "**Agreement**").

1. Stated Amount. The aggregate amount of funds available under this Letter of Credit shall be U.S. \$_____ (_____ United States Dollars), less the aggregate amount of all previous drawings under this Letter of Credit (the "**Stated Amount**"). The Stated Amount may be reduced at any time upon our receipt of a Reduction Certificate executed by the Beneficiary in the form of **Attachment D**.

2. Drawings. A drawing hereunder may be made by the Beneficiary on any Business Day on or prior to the date this Letter of Credit expires by delivering to [Bank Name], at any time during its business hours on such Business Day, at [_____] or at such other address as may be designated by written notice delivered to the Beneficiary as contemplated by numbered **Paragraph 9** hereof, (i) a draw certificate executed by an authorized officer of the Beneficiary in the form of **Attachment A** hereto (the "**Draw Certificate**"), completed and signed by such authorized officer and (ii) your draft in the form of **Attachment B** hereto (the "**Draft**"), completed and signed by such authorized officer. Partial drawings are permitted. Draw Certificates and Drafts under this Letter of Credit may be presented by you by

overnight delivery or courier to [Bank Name], at its address set forth above, Attention: [_____] (or at such other address as may be designated by written notice delivered to you as contemplated by numbered **Paragraph 9** hereof). Demand for payment hereunder may also be made in the form of facsimile transmission of the document(s) hereunder to fax number -----.

3. Time and Method for Payment. We hereby agree to honor a drawing hereunder made in compliance with this Letter of Credit by transferring in immediately available funds the amount specified in the Draft delivered to us in connection with such drawing to your account at such bank in the United States as you may specify in your Draw Certificate at the opening of business on the second (2nd) Business Day succeeding the date of presentation of the conforming Draw Certificate.

4. Non-Conforming Demands. If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give you prompt notice, no later than three (3) Business Days following our receipt, that the demand for payment was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons therefor and that we will upon your instructions hold any documents at your disposal or return the same to you. Upon being notified that the demand for payment was not effected in conformity with this Letter of Credit, you may correct any such non-conforming demand prior to the date this Letter of Credit expires.

5. Expiration. This Letter of Credit shall automatically expire at the close of business on the earlier of (date) (or such later date to which this Letter of Credit may be extended in accordance with the provisions of numbered **Paragraph 6** hereof), or the date on which we receive a Cancellation Certificate in the form of **Attachment C** hereto executed by an authorized officer of the Beneficiary upon receipt of which this Letter of Credit shall be cancelled.

6. Rollover. This Letter of Credit shall be deemed automatically extended without amendment for additional periods of one (1) year each from the present or any future expiration date, unless at least sixty (60) days prior to any such expiration date we notify you by registered mail or overnight courier at the above address (or such other address as may be designated by you as contemplated by numbered **Paragraph 9** hereof and as amended accordingly) that we elect not to consider this Letter of Credit extended for any such additional one (1) year period. In the event that you are notified of non-extension, you may draw upon this Letter of Credit pursuant to numbered **Paragraph 2** hereof in the full amount then available for drawing hereunder within thirty (30) days prior to the then current expiration date. In no event shall this Letter of Credit be automatically extended beyond _____, 20__ (the "**Outside Expiration Date**").

7. Business Day. As used herein, "**Business Day**" shall mean any day other than a Saturday, Sunday, legal holiday or a day on which on which commercial banks are authorized or required to close in the Commonwealth of Pennsylvania.

8. Governing Law. Except as otherwise expressly stated herein, this Letter of Credit shall be governed by the International Standby Practices, International Chamber of Commerce Publication No. 590 ("**ISP 98**"). As to matters not addressed by ISP 98, this Letter of Credit shall be governed by and construed in accordance with Article 5 of the Uniform Commercial Code of the Commonwealth of Kentucky, without giving effect to any choice of law rules which may direct the application of the laws of another jurisdiction.

9. Notices. All communications to you in respect of this Letter of Credit shall be in writing and shall be delivered to the address shown for you herein or such other address as may from time to time be designated by you in a written notice to us and as amended accordingly. All communications to us in respect of this Letter of Credit, except for documents to be presented to us hereunder by facsimile, shall be in writing, shall be delivered to the address for us indicated on the signature page hereof, or such other address as may from time to time be designated by us in a written notice to you.

10. Irrevocability. This Letter of Credit is irrevocable.

11. Transferability. This Letter of Credit is transferable in its entirety, but not in part. Only the issuing bank is authorized to act as the transferring bank with respect to the Letter of Credit represented hereby. Any transfer made hereunder must conform strictly to the terms hereof and to the conditions of Rule 6 of the International Standby Practices (ISP98) fixed by the International Chamber of Commerce, Publication No. 590. Should you wish to effect a transfer under this credit, such transfer will be subject to the return to us of the original credit instrument, accompanied by our form of transfer, properly completed and signed by an authorized signatory of your firm, bearing your bankers stamp and signature authentication and payment of our transfer fee. Such transfer form is available upon request. Costs or expenses of such transfer shall be for the account of the beneficiary. Upon and after any such transfer under this Letter of Credit, all Drafts and related documentation deliverable hereunder must be executed by the transferee as the Beneficiary hereof. This Letter of Credit may not be transferred to any person with which U.S. persons are prohibited from doing business under U.S. foreign assets control regulations or other applicable U.S. laws and regulations.

12. Fees. All fees associated with this Letter of Credit are for account of Contractor, except for any transfer fee costs which will be borne by the Beneficiary.

13. Complete Agreement. This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except as provided in numbered **Paragraph 8** hereof, **Attachments A, B, C, D and E** hereto and the notices referred to herein and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as set forth above. No amendment or modification of this Letter of Credit may be made without the prior written consent of the Beneficiary and the Contractor.

14. Replacement Instrument. If the original of this Letter of Credit has been lost, stolen, mutilated or destroyed, we will promptly issue to the Beneficiary a duplicate original of this Letter of Credit upon our receipt of our acceptable indemnity letter signed by the Beneficiary.

Sincerely,

/BANK NAME/

(Bank Address)

(City, State, Zip Code)

(Telephone number)

(Authorized Name and Title)

(Authorized Signature)

ATTACHMENT A

FORM OF DRAW CERTIFICATE

The undersigned hereby certifies to [Bank Name] (the "**Issuer**"), with reference to Letter of Credit No. _____ (the "**Letter of Credit**") issued by Issuer in favor of the Beneficiary (capitalized terms used and not defined herein shall have the respective meanings set forth in the Letter of Credit), as follows:

- (1) The undersigned is the _____ of Louisville Gas and Electric Company (Beneficiary) and is duly authorized by the Beneficiary to execute and deliver this Certificate on behalf of the Beneficiary;
- (2) Beneficiary hereby makes demand against the Letter of Credit by presentation of the Draft accompanying this Draw Certificate, for payment of (U.S.\$_____), such amount not being in excess of the Stated Amount;
- (3) Beneficiary is entitled to draw the amount set forth in clause (2) hereof because the conditions for a drawing pursuant to the Agreement or numbered **Paragraph 6** of the **Letter of Credit** have been met; and
- (4) You are hereby directed to make payment of the requested drawing to:

[Insert Wire Instructions]

LOUISVILLE GAS AND ELECTRIC COMPANY

By: _____
Name: _____
Title: _____

Address: _____

ATTACHMENT B

DRAWING UNDER THE LETTER OF CREDIT NO. -----

Date:

ON: The second Business Day immediately succeeding the date of presentation

PAY TO: [Beneficiary's Name]

\$ _____ U.S.

FOR VALUE RECEIVED AND CHARGED TO THE ACCOUNT OF LETTER OF CREDIT NO. ____

LOUISVILLE GAS AND ELECTRIC COMPANY

By: _____

Name: _____

Title: _____

Address: _____

ATTACHMENT C
CANCELLATION CERTIFICATE

Letter of Credit No. _____

The undersigned hereby certifies to [Bank Name] ("**Issuer**"), with reference to Letter of Credit No. _____ issued by Issuer to Louisville Gas and Electric Company (Beneficiary) (the "**Letter of Credit**") that either (i) the terms of the Agreement require the return of this Letter of Credit or (ii) the Agreement has been terminated and Contractor has satisfied all of its outstanding obligations and paid all amounts remaining due under the Agreement following such termination. Pursuant to numbered **Paragraph 5** thereof, the Letter of Credit shall expire upon Issuer's receipt of this certificate. Attached hereto is the Letter of Credit marked "Canceled". Capitalized terms used and not defined herein shall have the respective meanings set forth in the Letter of Credit.

LOUISVILLE GAS AND ELECTRIC COMPANY

By: _____

Name: _____

Title: _____

Address: _____

ATTACHMENT D
REDUCTION CERTIFICATE

[Bank Name]
[Address 1]
[Address 2]
Attention: _____

Irrevocable Standby Letter of Credit No. _____

The undersigned hereby certifies to *[Bank name]* ("**Issuer**"), with reference to the above-specified Irrevocable Standby Letter of Credit issued by Issuer to Beneficiary (the "**Letter of Credit**"), that, as of and from the reduction date specified below, the Stated Amount is hereby reduced as set forth below:

Reduction Date	Reduction Amount	Revised Stated Amount
XX-XXX-XX	\$XX,XXX.XX	\$XX,XXX,XXX.XX

LOUISVILLE GAS AND ELECTRIC COMPANY

By: _____
Name: _____
Title: _____

Address: _____

